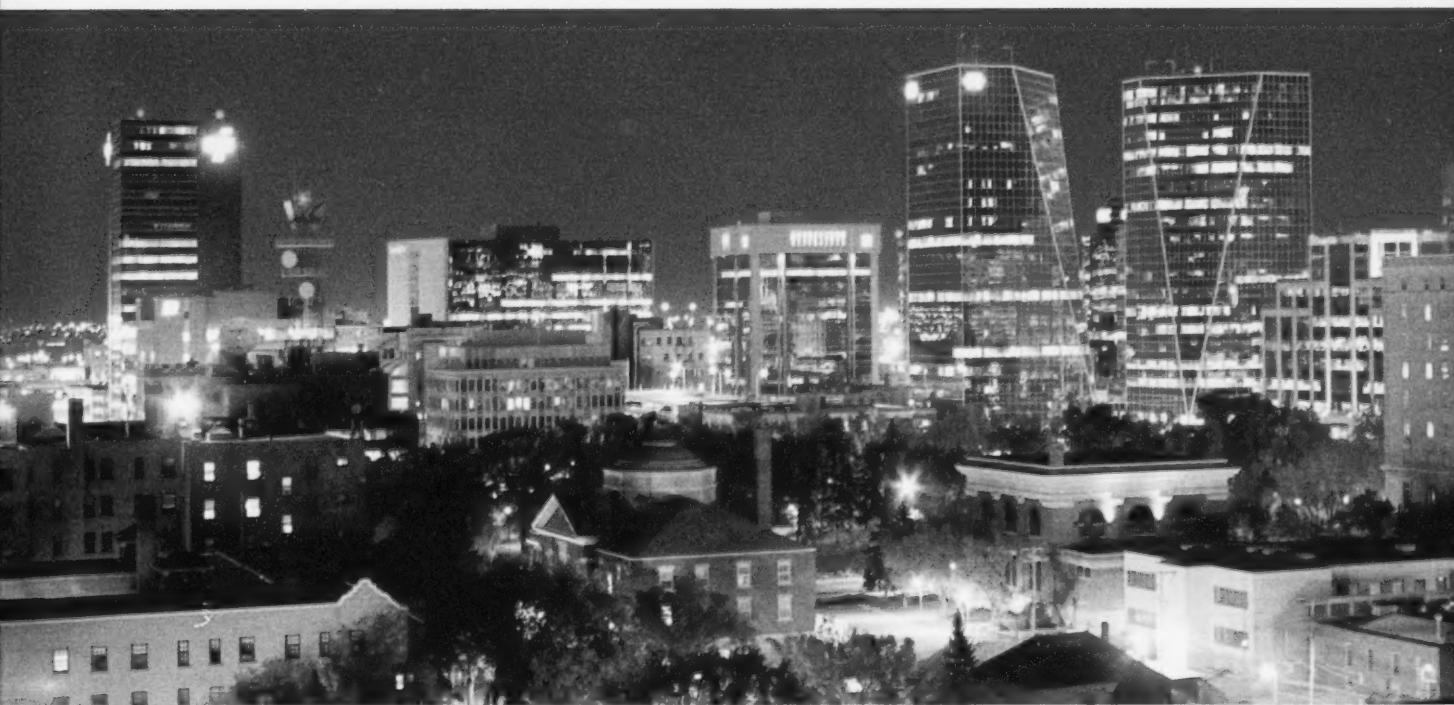


2013-2017

CITY OF REGINA

GENERAL CAPITAL PROGRAM

AS APPROVED BY CITY COUNCIL



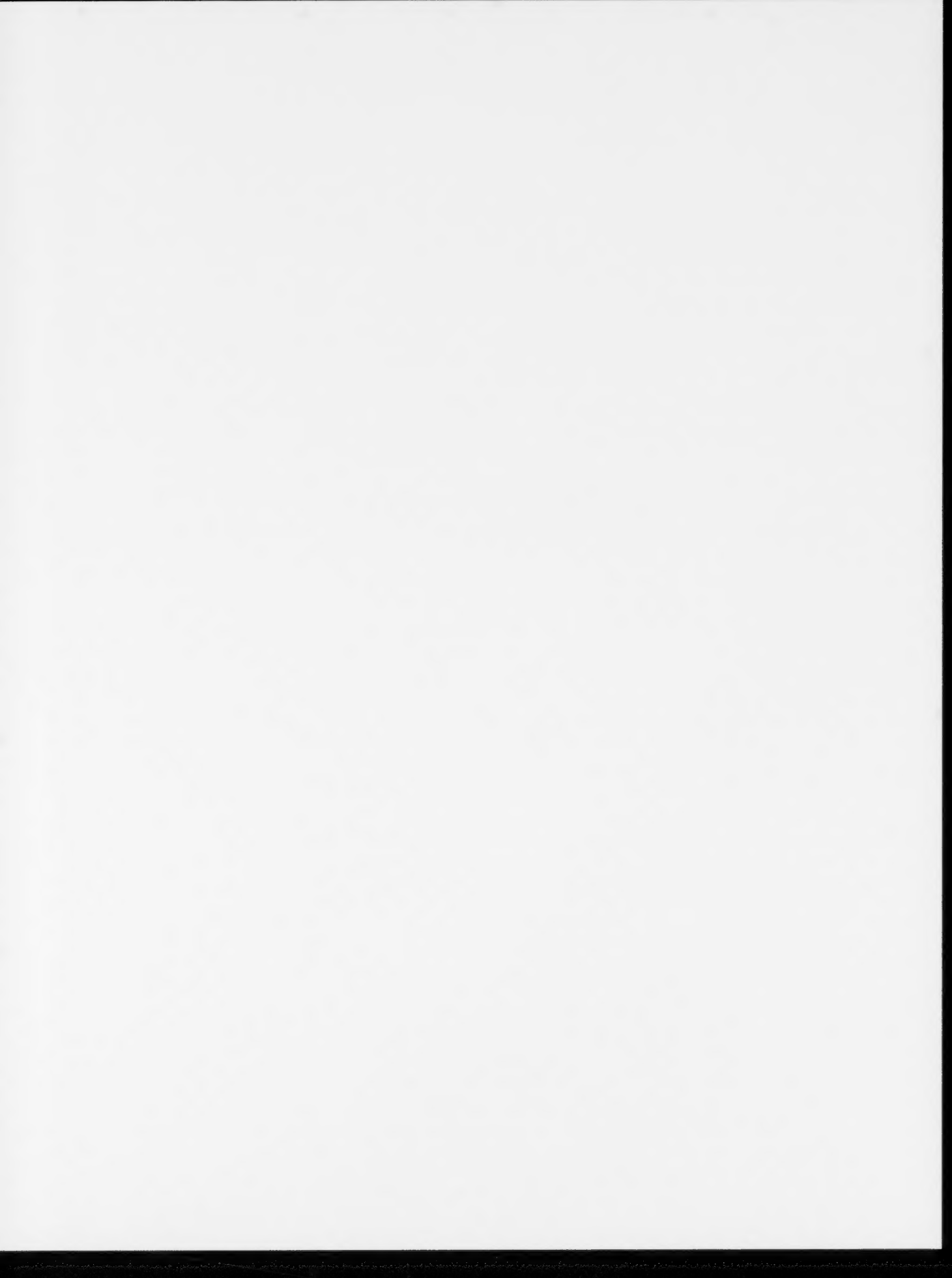


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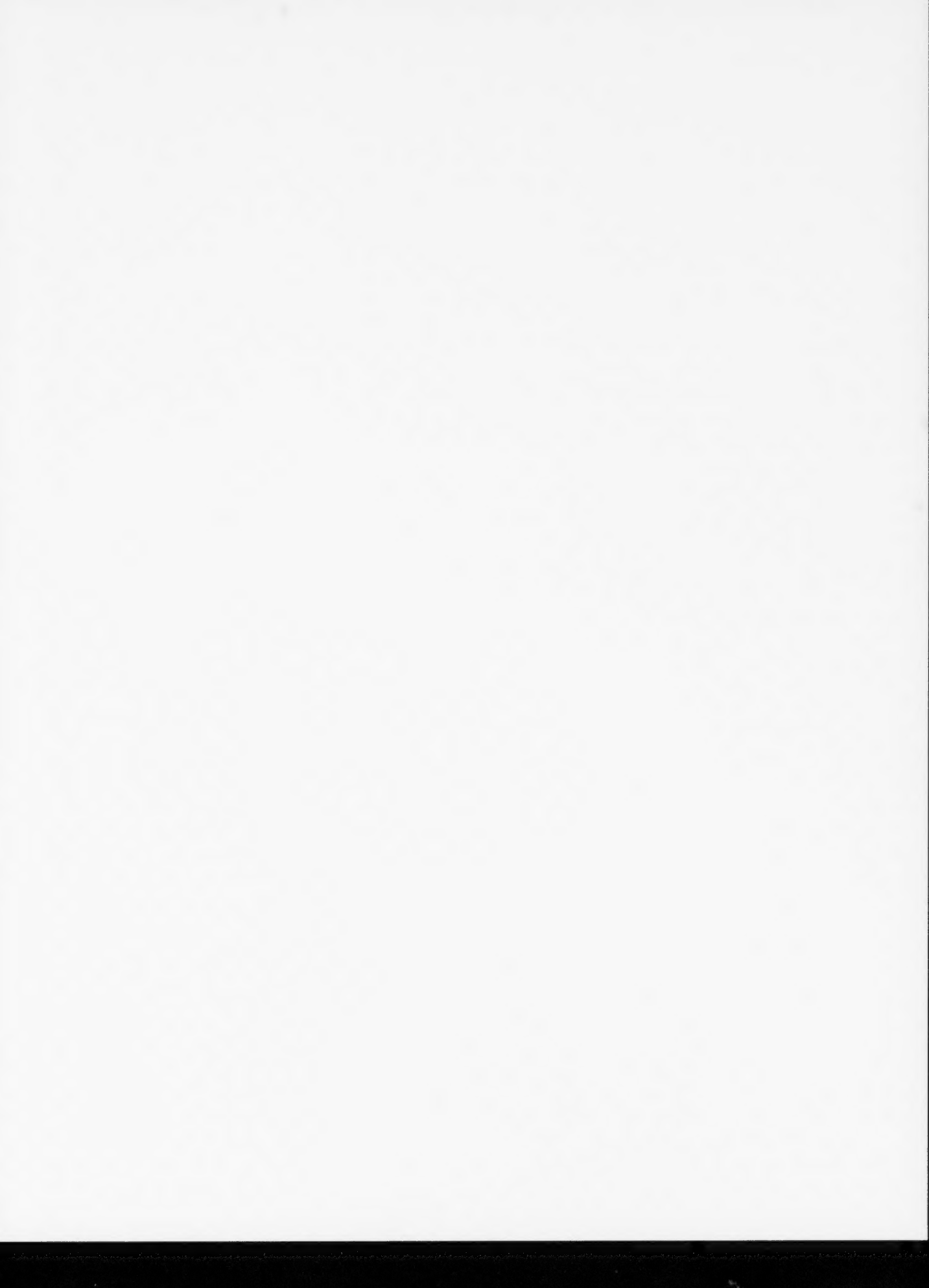
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January 21, 2013

To: His Worship the Mayor,
and Members of City Council

Re: 2013 – 2017 General Capital Budget and Investment Program

Each year City Council is required to adopt an operating and capital budget. There are three components to the budgets, the General Operating Budget, the Water and Sewer Utility Budget and the 2013-2017 General Capital Budget and Investment Program. **This document is the 2013 – 2017 General Capital Budget and Investment Program.**

The 2013 General Capital Budget is \$99.0 million, an increase of 50.9% or \$33.4 million over 2012. The increase primarily reflects an additional investment in the Regina Revitalization Initiative \$14.1 million, 9th Avenue North (Winnipeg St to McDonald St) Safety Improvements of \$2.2 million, Victoria Avenue East (Fleet Street to City Limits) \$2.9 million, Chuka Boulevard (Arcola Avenue to Green Apple Drive) \$5.7 million, Landfill Costs \$4.9 million, Fleet, Facilities and Information Technology of \$5.6 million, and a reduced investment in Multi-use Pathways of \$3.3 million. (2012 included an investment in the Northwest Link of the Multi-use Pathway of \$2.9 million.)

The General Capital Investment Program represents a balance between the fiscal constraints facing the City and the capital requirements. It has been built around City Council's Vision.

**Canada's most vibrant, inclusive, attractive,
sustainable community, where people live in harmony
and thrive in opportunity.**

The key components of the 2013 – 2017 General Capital Investment Program include:

- Funding for the Regina Revitalization Initiative is \$14.1 million in 2013, including \$245,000 for Taylor Field Neighbourhood Studies and \$13.9 million for the Stadium Project.
- Funding for Street Infrastructure Renewal is \$18.1 million in 2013, an increase of \$1.1 million or 6.5% from 2012 funding levels.

- Funding for Roadway Network Improvements total \$17.0 million for 2013, including Chuka Boulevard, Parliament Avenue Extension, and Victoria Avenue East Upgrades.
- Funding for the rehabilitation of bridges totals about \$3.2 million, an increase of \$0.5 million from 2012 funding levels.
- Funding of \$5.0 million in 2013 and a total of \$36.8 million over five years for the landfill. The funding includes the cost of capping and closing the existing landfill; landfill gas collection Phase II; and design and construction of a new landfill site.
- Funding of \$4.8 million in 2013 for Traffic Control and Safety. This represents an increase of \$2.1 million over 2012's funding and is due to the investment in the 9th Avenue North Safety Improvements (Winnipeg Street to McDonald Street).
- Funding of about \$8.3 million in 2013 for facilities management. Over the next five years a total of \$121.8 million worth of work is planned. However, only \$58.8 million in potential funding has currently been identified.
- Funding of about \$11.3 million for the vehicle and equipment fleet in 2013 and \$52 million over five years.
- Investment of \$6.7 million in Land Development. The funding includes building the infrastructure required to service lands in Ross Industrial, as demand for industrial land has been strong.

Regina, like other cities, is facing a problem of aging infrastructure coupled with requirements resulting from growth and increased standards. During 2008, the City projected its infrastructure requirements, including rehabilitation of existing infrastructure and the demand for new infrastructure resulting from growth, at about \$2.1 billion in 2009 dollars, of which \$1.2 billion is unfunded through any existing sources.

While there is virtually universal recognition of the need to increase capital spending, the challenge continues to be finding sources of funding that are predictable and sustainable. The assumption of increased levels of debt will require additional operating funding to support debt repayment.

The 2013 – 2017 General Capital Investment Program reflects an estimate of about \$11.0 million in annual infrastructure grants from the Federal Gas Tax Grant. Agreements for this Federal program are in place until 2013/14. The Government of Canada, on its Infrastructure Canada website has stated that it will continue to deliver Gas Tax Fund payments beyond 2014, the type of time frame which is essential for effective infrastructure planning. It is important that this continue in the future, with projections updated on a regular basis.

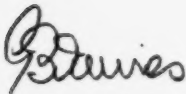
The capital funding plan includes civic current contributions of \$24.2 million for 2013, which is an increase of \$4.3 million over the 2012 funding level. The capital funding plan also includes current contributions to capital for the Regina Police Service of \$1.2 million.

No new debt has been included as part of the 2013 Capital Program.

Funding from reserves will total \$30.9 million of which \$8.2 million is sourced from the Fleet Replacement Reserve.

The 2013 – 2017 General Capital Investment Program demonstrates progress in addressing the priority needs of the community. It has been developed with a focus on City Council's Vision. It provides a balanced approach, including the use of relatively modest debt levels to permit the City to move forward with priority projects with long term benefits for the community and strengthening of reserves to meet long term capital requirements.

Respectfully submitted,



Glen B. Davies
City Manager

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Introduction

Introduction

2013 Budget Overview

The 2013 General Capital Budget is \$99.0 million, an increase of 50.9% or \$33.4 million over 2012. This increase reflects additional funding provided by the City and the pressures of maintaining, rehabilitating and in the case of Mosaic Stadium, replacing aging infrastructure.

A report for the Federation of Canadian Municipalities (FCM) in 2007 noted, "...for the past 20 years, municipalities have been caught in a fiscal squeeze caused by growing responsibilities and reduced revenues. As a result, they were forced to defer needed investment, and municipal infrastructure continued to deteriorate..." The impact of deferring necessary maintenance to minimize the impact on tax payers is now beginning to hit home. Whereas, in 2012, the proportion of the capital budget devoted to the simple maintenance of assets was 52.7%. In 2013, that proportion has risen to 63.4% (excluding the stadium project), and the total dollars budgeted is higher than ever before. The need to attend to the rehabilitation of existing infrastructure continues to put pressure on other areas of the City's operations.

Regina's need for investment in infrastructure is great, and funding is limited. It is essential that capital investments be directed in a strategic manner to deliver the best return for the community

2013 Budget Process

The budget process always involves difficult choices. A key aspect of the budget process is that City Council is making choices on behalf of the community. With the limited resources available, it is important that each year's budget process involve the establishment of priorities. Many Canadian cities are developing multi-year strategic plans to help guide the resource allocation process. Building on the strength of work carried out over the past few years, the 2013 budget was developed based on priorities established through City Council's Vision for Regina, the Corporate Strategic Plan and an assessment of future issues and opportunities faced by the organization.

The approach to developing the 2013 Budget focused on identifying strategic priorities and allocating resources to those priorities to avoid having budget limitations drive the strategy. Divisions identified requirements for ongoing and one-time initiatives and evaluated them according to the strategic priorities. Divisions also identified opportunities where existing resources could be reallocated toward the strategic priorities.

Corporate Strategic Planning and Performance Management Process

City Council has adopted the following Vision for Regina:

Canada's most...
Vibrant,
Inclusive,
Attractive,
Sustainable community
Where people live in Harmony
And Thrive in opportunity.

To achieve the vision the City has established an accountability framework, this framework demonstrates that both Council and the administration have a role in strategic planning – Council sets the Vision, the administration develops strategic and business plans to align their activity to the Vision.

City of Regina Accountability Framework



Corporate Strategic Plan

While the Vision identifies the long term direction for the City of Regina, in order to achieve the Vision, a number of challenges have to be addressed in the short term. In 2012 and again for 2013, within the context of the Vision, the City of Regina has focused on the issue of financial sustainability.

Administration has developed the short-term strategic focus, *"that we will have narrowed the gap between current and expected service levels and our ability to deliver them."* This focus recognizes that the current resources available to the City do not support the sustainable delivery of the current portfolio of services at the current level. Administration is considering areas where services can be reduced or eliminated, where revenues can be increased and where services can be delivered in different ways to improve their affordability. In 2013, the City will be consulting with citizens to more fully understand their expectations, including the trade-offs they are prepared to make to maintain the most important services.

Perhaps the most urgent issue related to the financial sustainability of the City of Regina is the issue of infrastructure. In an effort to maintain affordable services for Regina taxpayers, the City of Regina (similar to most other municipalities in Canada) has chosen to defer on-going life-cycle maintenance and renewal of infrastructure. The issue has reached a critical point where deferral could result in service or infrastructure failures.

Council endorsed the strategic focus and its key deliverables in March, 2012. The Administration has developed a performance measurement system to support the new strategic focus and has cascaded accountabilities for results throughout the organization.

One of the key issues that is being addressed by the strategic focus is the resourcing of infrastructure renewal. As a result, the City Administration is proposing an increase its tax-funded investment in infrastructure by 20%.

During 2013, the City of Regina will be developing a strategic plan for the 2014-2017 period. The scope of this plan will incorporate the strategic focus of 2012 and 2013 but will be broadened to more fully respond to the Vision and the Community Priorities that were identified as part of the Design Regina process.

Business Planning

As part of the strategy development targets were cascaded throughout City of Regina divisions and departments. Divisional and departmental business planning used the corporate targets as a basis for planning. In addition to this "top-down" approach, Divisions also incorporated their knowledge of customer and citizen priorities, facility and infrastructure requirements, and their daily analysis of risks and opportunities resulting from ongoing operations – a more "bottom-up" approach. The two approaches working together ensure that the corporate strategic approach will integrate into Divisional and departmental business plans that are both strategic and responsive.

As planning cascades through the organization, the level of engagement and detail will become increasingly refined. Participants in the planning sessions are cross functional to ensure an integrated approach and a 'de-siloing' of the organization.

Some areas within the City of Regina have undertaken business planning in the past. What is new for these groups is that they now have a longer term corporate Vision, Mission, Values and Strategic Directions to provide better context for their planning efforts.

The Need for Infrastructure Investment

The need for infrastructure investment in Regina, like most western Canadian cities, arises in primarily three ways: replacement of existing infrastructure, increasing standards, and new infrastructure to support growth.

"Canadian municipalities build, own and maintain most of the infrastructure that supports our economy and quality of life. Yet for the past 20 years, municipalities have been caught in a fiscal squeeze caused by growing responsibilities and reduced revenues. As a result, they were forced to defer needed investment, and municipal infrastructure continued to deteriorate, with the cost of fixing it climbing five-fold from an estimated \$12 billion in 1985 to \$60 billion in 2003. This cost is the municipal infrastructure deficit, and today it has reached \$123 billion.

The upward trend of the municipal infrastructure deficit over the past two decades points to a looming crisis for our cities and communities and ultimately for the country as a whole. The deficit continues to grow and compound as maintenance is delayed, assets reach the end of their service life, and repair and replacement costs skyrocket. When compared with earlier estimates, the \$123 billion figure clearly shows the municipal infrastructure deficit is growing faster than previously thought."

- Danger Ahead: The Coming Collapse of Canada's Municipal Infrastructure – A Report for the Federation of Canadian Municipalities, Saeed Mirza, PhD., Ing., November, 2007.

The infrastructure gap is difficult to estimate, and because of that, some would suggest that it does not exist or is exaggerated. The numbers presented seem incredible and unmanageable to the average person. However, it is important to understand that the variability in the numbers is due to the greater degree of professionalism and scrutiny brought to infrastructure management. As better data and more analytical techniques are incorporated into infrastructure management, the information produced to aid in decision making becomes more precise.

Municipalities do not simply go out and rebuild the same piece of infrastructure at the end of its life cycle. Community needs and regulatory requirements are constantly evolving. Municipal infrastructure managers are responsible for incorporating improvements in safety, efficiency, environmental impact, aesthetic design, and productivity in their work on an ongoing basis.

At the same time, communities are growing. An engineer cannot just approach a roadway project for resurfacing only; any cost effective approach means that new capacity and safety considerations must also be included. It becomes very difficult to separate the cost of 'replacing existing infrastructure' from service level improvements and expansions.

Consequently, there is no generally accepted method for estimating exactly what the level of infrastructure funding should be. In carrying out the study for FCM, the following definition was used:

"In formal terms, the municipal infrastructure deficit refers to the following:

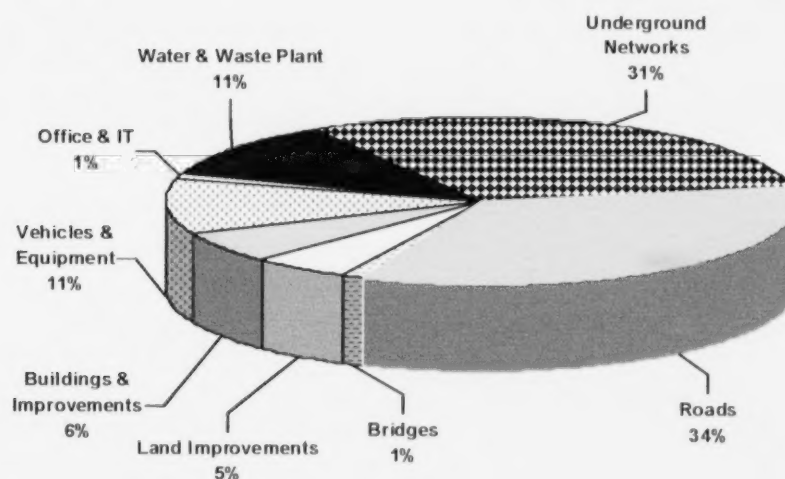
- the unfunded investments required to maintain and upgrade existing, municipally owned infrastructure assets; and
- the funding needed over and above current and projected levels to bring existing facilities to a minimum acceptable level for operation over their service life, through maintenance, rehabilitation, repairs and replacement."

Regina also has significant requirements for infrastructure related to new growth, particularly in the area of roadway network improvements.

Measuring Regina's Infrastructure Gap

The value of Regina's infrastructure is estimated at \$4.2 billion in 2009 dollars. This includes a wide range of assets from roads and bridges to vehicles and equipment. The mix of the City's infrastructure is found in the chart below.¹ Land holdings, which are part of the City's asset mix, are excluded from the picture below, as these assets do not degrade over time. They are also excluded from the calculation of total assets above.

Regina's Infrastructure Mix

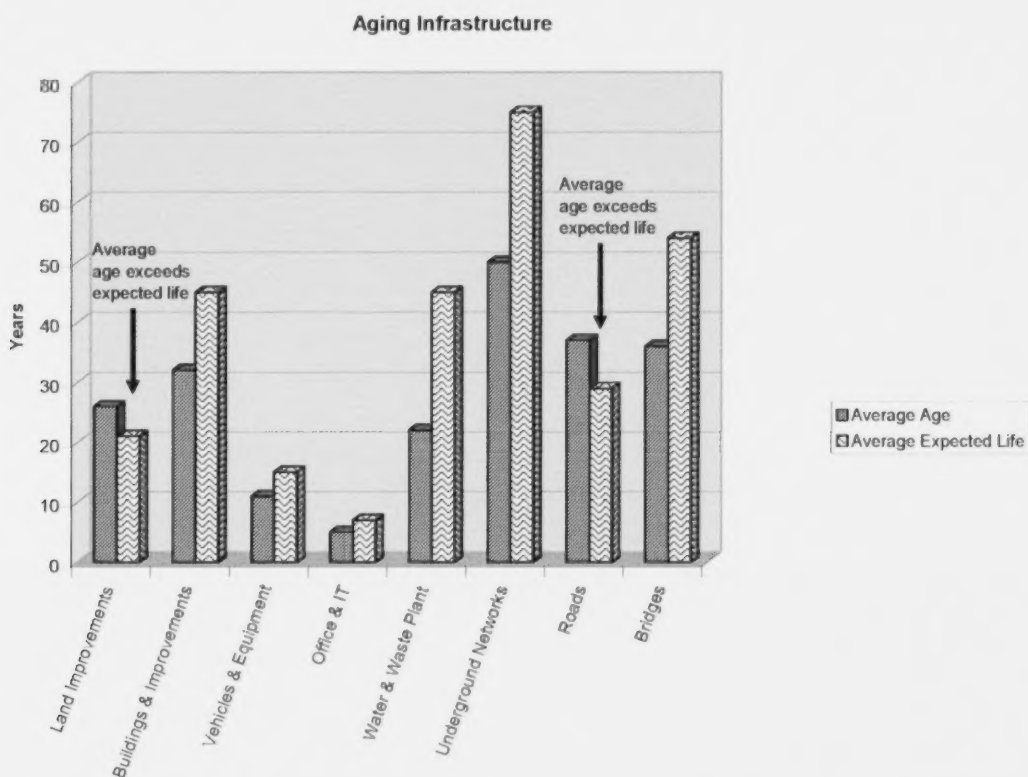


¹ City of Regina Tangible Capital Assets Data Base

Like many municipalities, the City of Regina's infrastructure is aging. The chart below shows the current status of Regina's infrastructure in relation to its expected life span.² These averages disguise much deeper issues.

- The average age of infrastructure exceeds the average life expectancy in two areas – roadways (when surveyed, Regina residents routinely rank road and sidewalk conditions as the most important municipal issue) and land improvements (e.g. parks, landscaping, golf courses, etc.).
- Even where there is a positive overall gap between the average age of infrastructure and the average expected life, there are significant structures that far exceed the life expectancy estimates. For example, the City of Regina estimates that 12% of its sewer infrastructure is in excess of its 90 year expected life and 28% is in excess of 70 years old.
- Regulatory change affects the rate at which infrastructure must be rehabilitated or replaced. For example, regulatory change requires that the City's Wastewater Treatment Plant be significantly upgraded by 2016, which is a major capital project. This is a significant project on its own, but it also affects the capacity of the City to invest in other necessary infrastructure.
- Technological change affects citizen expectations regarding information access and service response. To address these changing expectations, information technology and interactive tools must be constantly upgraded to meet consumer demand.

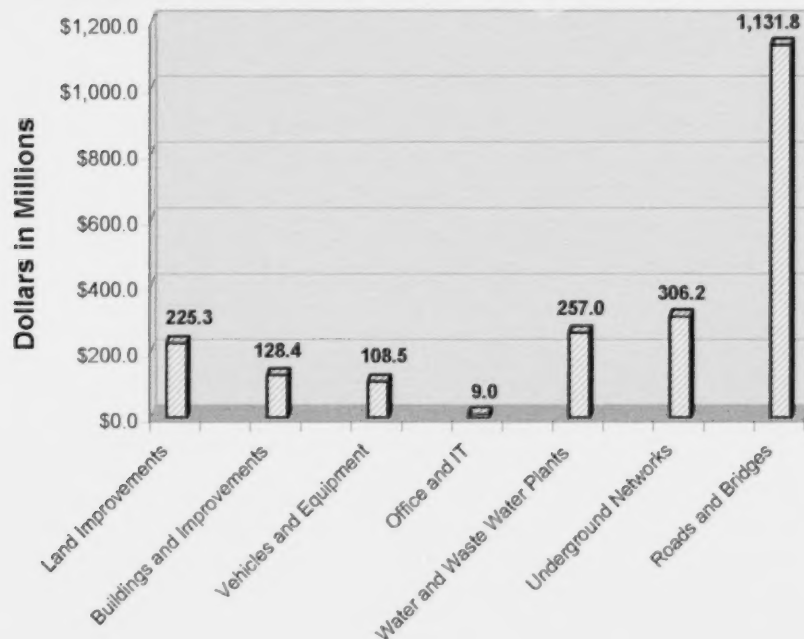
While average age compared to expected useful life is a simplistic approach to assessing the state of infrastructure, as it does not consider current condition, it does provide some initial information to support further asset management decisions.



² City of Regina Tangible Capital Assets Data Base

Of the \$4.2 billion in assets held by the City of Regina, **\$2.0 billion** in investment is required in replacement (\$1.76 billion), rehabilitation (\$199.1 million), or maintenance (\$52.3 million). A more detailed breakdown is provided in the chart below. If rehabilitation work is postponed to the point where it is no longer a viable option, then replacement would be required at a cost of up to \$995.5 million, an increase of \$796.4 million. Any deferral of necessary rehabilitation could increase the gap to almost \$3 billion. This estimate represents the cost of work that is required to cover the appropriate care of the City's assets at this point in time. It does not include the cost of maintaining assets in the future as those assets reach their average life expectancy.

Investment Required to Replace and/or Rehabilitate Assets



Best practice suggests that assets should be rehabilitated before they reach their full life expectancy. This practice generally minimizes the need to fully replace the asset and can reduce the cost significantly. While the ideal timing of rehabilitation and the savings vary depending on the asset, it is estimated that, on average, assets should be rehabilitated when they reach about 75% of their average life expectancy and that such rehabilitation can be achieved at about one-fifth of the cost of full replacement (*Canada West Foundation*). Using this approach as the basis for calculation, it is estimated that, in addition to the cost of addressing the current gap, the cost of rehabilitating assets when they reach about 75% of their average life expectancy would be an additional \$34 million per year in current year dollars.

Depending on the level of external investment available from other levels of government, in recent years, the City of Regina's investment in capital has ranged from \$60 million to \$83 million. However, using the above forecasts for cost (\$34 million per year to achieve acceptable renewal plus \$93 million per year for twenty years to eliminate the current infrastructure gap), one can estimate the funding shortfall the City is between \$44 million and \$67 million per year.

Strategies to Reduce the Gap

It is important to note that Regina, like other municipalities, is not expecting other orders of government to fully fund all infrastructure requirements.

Across Canada, the infrastructure gap resulted from multiple factors, and Regina's approach recognizes that addressing the problem will require action in several areas, including:

- Increased funding of capital from the City's annual revenues; the increase of Current Contributions to Capital for the General Program went from \$21.0 million in 2012 to \$25.4 million in 2013. This is a 20% increase and is reflective of additional capital funding increases of recent years.
- Sustainable policy and development decisions that do not avoidably compound increase the demand for infrastructure;
- Servicing agreement fees that adequately fund the cost of new development and do not deplete other sources of funding required to address the infrastructure deficit;
- Accurately priced user fees that include the costs of infrastructure;
- A careful combination of "pay as you go" with debt to fund projects with long-term benefits;
- Solid asset management techniques, including long-term capital planning, that maximize the value of infrastructure spending; and
- Stable and long-term funding from the Federal and Provincial Governments, with flexibility to address the priorities within the community.

Over the next five years, it is anticipated that of the \$859 million General Capital Program, the City will fund \$448 million through contributions from reserves, debt, and from the tax base. It is estimated that an additional \$144 million will be received from Federal and Provincial infrastructure grant programs, based on funding levels from existing programs. Approximately \$52.9 million will be funded from servicing agreement fees and other contributions from developers. \$27 million will be funded from contributions by community partners and other external funding sources. Funding for the remaining \$187 million has not yet been identified.

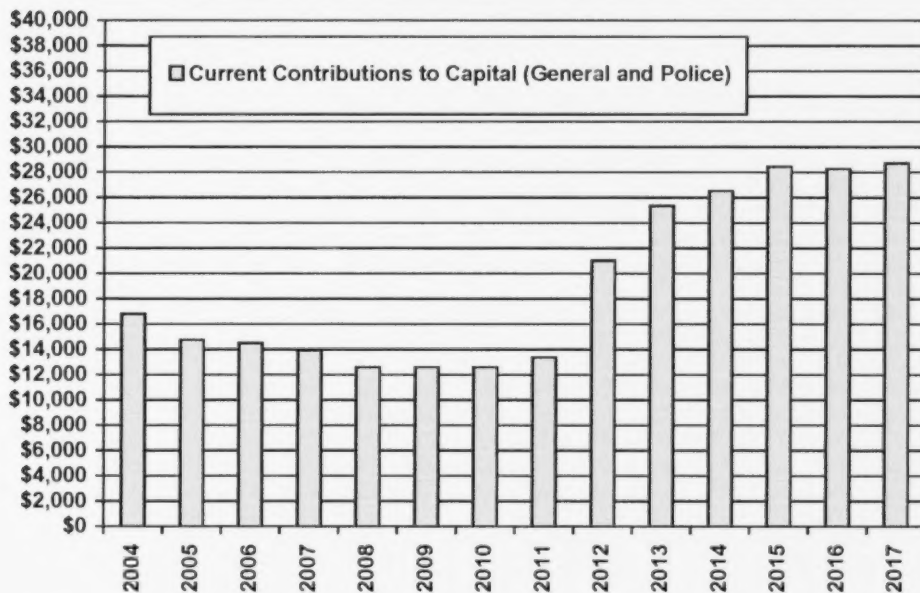
Up to \$149 million in utility infrastructure requirements will have to be funded from debt over the next five years, which will be repaid through utility rates.

Using the limited tools available, the City has taken several significant steps to address the infrastructure gap, based on the multi-faceted approach outlined above.

Funding from the Operating Budget

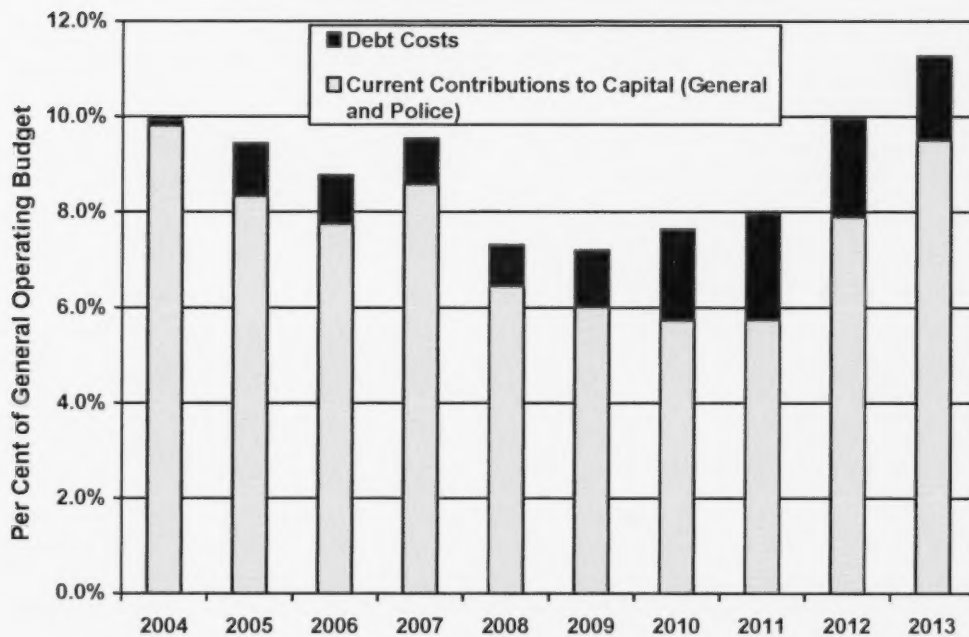
Despite continuing pressures for operating funding, the City has generally been able to maintain the level of funding for capital from the general operating budget in prior years. Pressures will increase significantly in 2013 through 2017 as a result of significant capital projects unless other sources of funding can be found.

Capital Funding From Current Contributions – Historical and Projected



Capital funding as a percentage of the operating budget has been decreasing, reflecting the pressures of operating costs.

Capital Funding From Current Operations – 2004 to 2013 (Per Cent of General Operating Budget)



Servicing Agreement Fees

During 2007, the City completed a major review of the servicing agreement fee policy. The review included estimates of the capital requirements related to new development over the next 20 years. Regina had reached a threshold in that the majority of its existing developments were virtually complete, and a significant investment in infrastructure was required if the City was to grow. Regina's servicing agreement fees were significantly lower than those in most other cities across Canada.

New policies were adopted by City Council in 2007, based on appropriate cost sharing between new developments and existing taxpayers, which resulted in formal policy approval in 2009 and amended policy in 2011 to include Development Levy charges. The policy now includes an annual review of the Servicing Agreement/Development Levy Fee to ensure that the rate is reflective of true costs. The 2013 fee rate is \$241,958 per hectare, up 1.3% from \$238,946 in 2012. Despite the increase in fees, which now include a financing cost element, significant additional funding is required to support these new neighbourhoods. As a result, there will be a significant cash outflow required by the City to fund its share of infrastructure, as well as to finance the infrastructure paid for through servicing agreement fees. This amount will be repaid through servicing agreement fees as new development proceeds.

User Fees

The City has reviewed virtually all its user fees over the past three years to ensure that, where possible, revenues are keeping up with capital as well as operating costs. A three-year utility rate increase of 9% per year for 2011, 2012 and 2013 was approved in conjunction with the 2011 Utility Budget to contribute towards water and wastewater infrastructure requirements including an upgrade and expansion of the wastewater treatment plant. Landfill rates have been increased to contribute toward the costs of landfill closure, capping, expansion and other solid waste activities. Golf and cemetery fees have been reviewed on a regular basis and established to cover capital and operating requirements.

Recreation program fee schedules are regularly reviewed, typically every three years, and approved by City Council to ensure that targeted cost recovery levels are achieved.

While fee increases are not popular and are sometimes viewed as another form of taxation, they are necessary to help address the infrastructure funding gap. The City is embarking on a general review of rates and fees for all City services with a view to develop more consistent and comprehensive pricing policies. User Fees are a fair representation of the true cost to deliver the service.

It is important to note that, while the City has the authority to raise revenues through licenses and special taxes, such revenue cannot exceed the related costs, limiting any ability to use such revenues to fund capital.

Debt Financing

The 2013 General Capital Investment Program proposes no new debt in 2013. The year end 2013 debt balance related to the Capital Investment Program is projected at \$114.0 million including borrowings for the water and sewer utility.

While the issuance of debt can provide for increased capital funding, the debt along with the related interest cost must be paid in future years out of operating funds. The use of debt is a trade-off between increased fiscal flexibility in the short term versus reduced fiscal flexibility over the term of the repayment of the debt.

The City is faced with difficult choices. While interest costs will add to the overall bill, the rapid increases in construction costs over the past few years indicate that in some circumstances, debt financing could lower the overall costs.

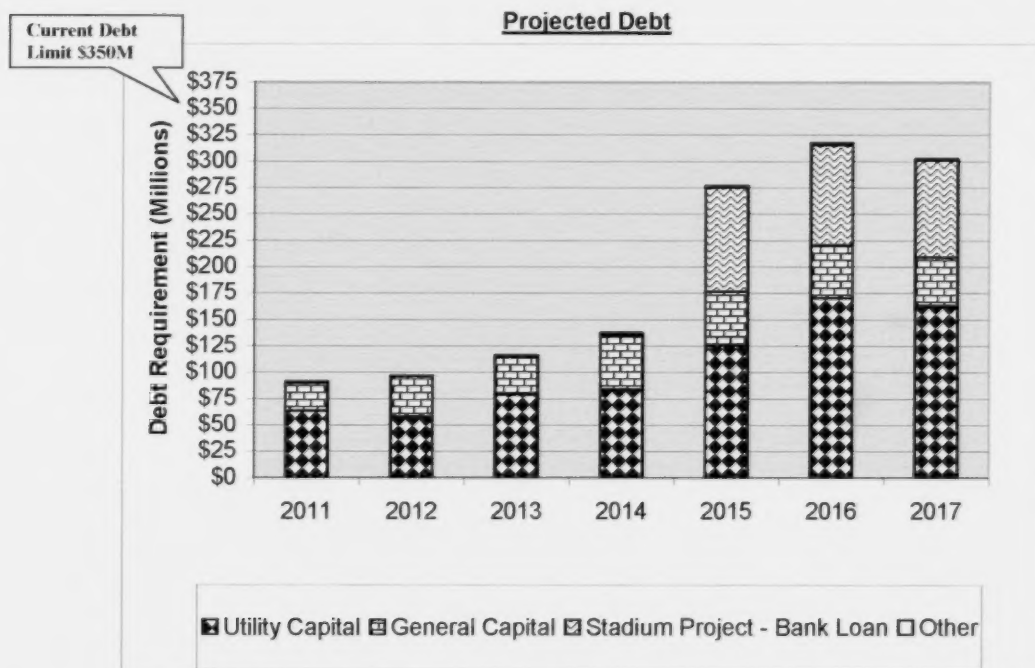
While the 2013 General Capital Investment Program proposes no new debt in 2013, the Regina Revitalization Initiative's Stadium Project will require debt financing estimated at \$200.4 million including a \$100 million loan from the Province of Saskatchewan.

On January 28, 2013 City Council approved the funding model for the Stadium Project. This model assumes that the proceeds of the provincial loan will be received during 2013 while the City would issue a further \$100.4 million in debt during 2015. This debt could be issued earlier should it be advantageous to do so. In addition to the new debt that is contemplated, the funding model shows that the City will also receive several new revenue streams, including facility fees and lease revenues, which will increase the City's total revenue available to repay any debt obligations.

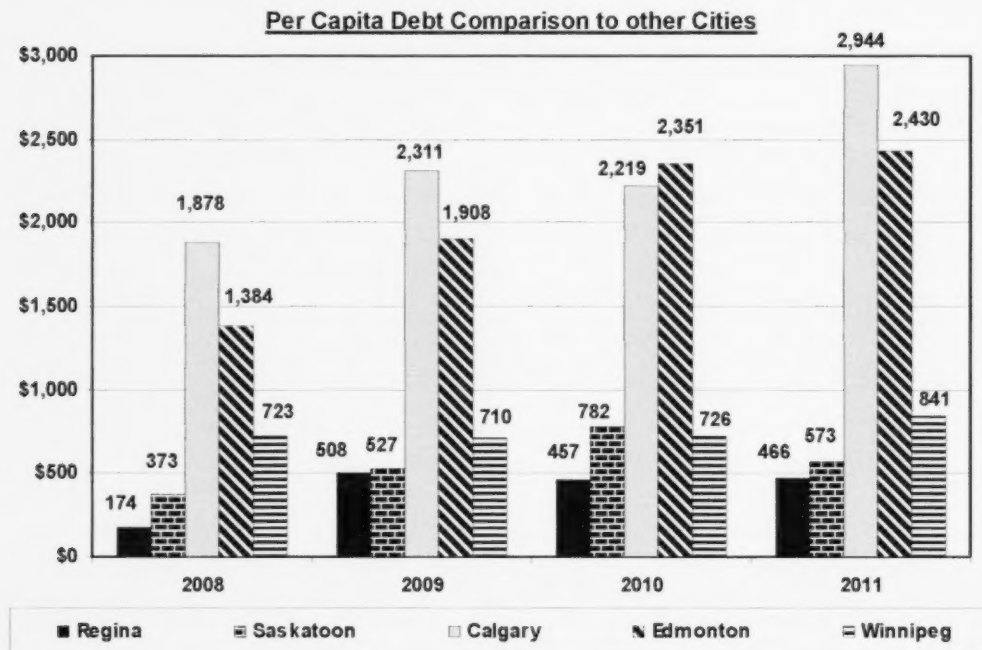
The City intends to make application to the Saskatchewan Municipal Board (SMB) to increase the City's debt limit to \$450 million from its current debt limit of \$350 million, or to exempt the \$100 million provincial loan from the City's debt limit. The City is requesting that this application be considered, as the \$100 million loan from the Province of Saskatchewan will be repaid through new revenues to the City from the new stadium.

The SMB has previously approved a debt limit of \$350 million for the City of Regina. The SMB approves debt limits on the basis of several factors related to the municipality's financial strength. An amount equal to one times operating revenues is a general rule of thumb, although other factors are considered. The City of Regina's annual consolidated operating revenues for the last audited year (2012) are \$528 million, which is significantly higher than the current debt limit, based on a one times operating revenues calculation.

The chart below represents the General Capital Investment Program's potential demand for debt for the years 2014 to 2017. Please note the chart below excludes the \$100 million Provincial loan related to the Stadium Project. The amount of new debt issued over the next five years will be driven by the 2014 to 2017 strategic plan which is currently under development.



Historically Regina has remained very conservative in its use of debt. The following chart shows the per capita debt comparisons to other Cities for the years 2008 to 2011.



Asset Management Techniques

The City established a Corporate Asset Management Steering Committee in 2008 to begin to develop a strategic asset management policy for the organization to assist in ensuring our infrastructure is maintained, rehabilitated, and replaced in order that citizens receive acceptable levels of service from all of the programs. The Committee adopted a standardized asset management methodology that will be used corporately to manage the City's infrastructure to ensure long-term sustainability. These techniques and approaches are not new to the City, but there has been significant advancement in research available across North America that is being applied in Regina. In addition, local research through the Communities of Tomorrow and joint projects with the City of Saskatoon are providing benefits.

The City of Regina is also at various stages of completion on the following - Recreation Facility Master Plan, Core Neighbourhood Sustainability Plan, Downtown Plan, Transit Investment Plan, Official Community Plan (OCP), and Solid Waste Management Plan to assist in the preparation of long-term management of these assets through identification of community needs and trends. The City continues to identify and apply best practices in pavement, sidewalk, water, and sewer infrastructure maintenance. Significant success has also been achieved through the application of a life cycle management approach to optimizing fleet costs, reducing the City's fleet by about 20% in recent years.

Historically, municipalities were not required to account for assets with the same rigour as in other industries. However, the Public Sector Accounting Board has issued recommendations to account for municipal assets or tangible capital assets. The City of Regina implemented these recommendations beginning with the 2009 Annual Financial Statements. This increased requirement for accounting for the City's assets will also aid in improving our management information available to ensure infrastructure investments are directed in a manner to ensure longevity and sustainability of our assets while providing the maximum benefit to citizens.

Sustainable Development Policies

Regina's Official Community Plan (OCP) establishes sustainability as one of the two principles guiding the entire plan. The other, ensuring that development occurs in a cost efficient, environmentally responsible, and socially equitable manner, is directly related to sustainability objectives.

A key policy is to maintain a compact urban form as a sustainable model. The residential growth strategy targets substantial infill development to balance peripheral expansion. Thirty percent of new housing will be directed to infill development to meet the OCP policies.

The transportation policies in the OCP support alternative modes of transportation. With higher densities in the central city, walking, bicycling and transit become more attractive options. In new suburban areas, a model was developed in the Sector Plans, which emphasises greenways and transit oriented design, which will give emphasis to alternative modes of transportation.

Growth is managed to ensure contiguous development (avoid leapfrogging) and the cost effective provision of services. The City is continuing to work with the RM of Sherwood to manage growth in the region. Lands in the RM are reserved primarily for agricultural uses, except for sites specifically designated industrial (Sherwood Industrial Park) and commercial (abutting Highway No.1).

The City is in the midst of developing a new Official Community Plan that is scheduled to go to Council for approval in 2013.

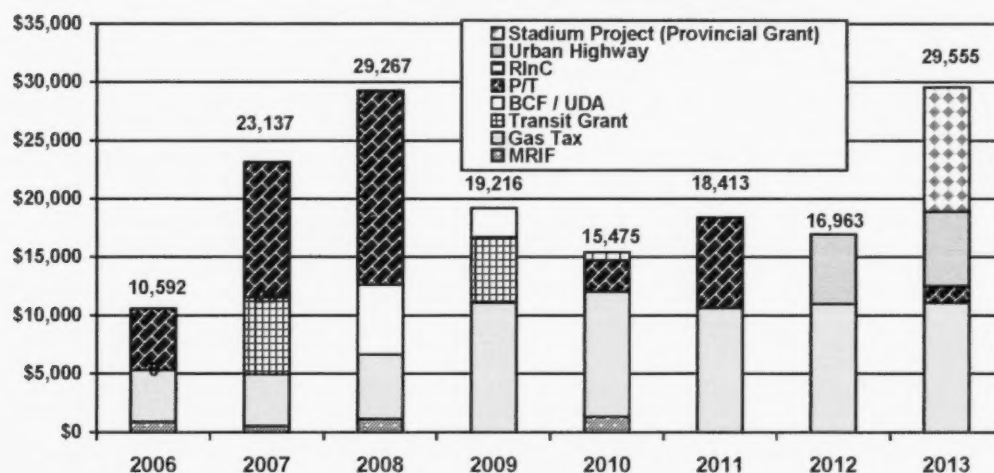
In summary, the City's sustainable development policies result in a more compact city and reduce the requirements for new infrastructure.

Capital Grant Programs

The information provided above indicates that the City is using all available approaches to manage its infrastructure requirements, but municipal taxpayers cannot do it alone. After the severe reductions in funding experienced during the 1990's and earlier this decade, the Federal Government and Provincial Governments across Canada began to recognize the importance of infrastructure funding.

"Canada's quality of life and economic competitiveness depend in part on having reliable, efficient infrastructure that is provided in large part by municipal, provincial, territorial and federal governments." – Restoring Fiscal Balance in Canada – Focusing on Priorities – Federal Budget 2006.

Federal and Provincial Capital Grants (000\$)



Gas Tax

The Federal Government has implemented a program to share a portion of the Federal Gas Tax with municipalities. The share for Regina has grown from \$3.3 million in 2005 to \$11.0 million in 2013. The grant is based on 1.5 cents per litre in 2005, increasing to 5 cents a litre in 2010. During 2007, the Federal Government announced an extension of the program through the 2010-11 to 2013-14 Federal fiscal years. The Gas Tax program is administered by the Province of Saskatchewan and the City of Regina has signed an agreement with the Province to the end of the 2013-14 Federal/Provincial fiscal year. The Federal Government on its Infrastructure Canada website has stated, "The Government of Canada will deliver [Gas Tax Fund payments] beyond 2014 to provide greater certainty for local infrastructure renewal. Municipalities across the country will continue to receive stable, annual funding for their long-term infrastructure priorities."

The 2013-17 General Capital Budget and Investment Program assumes that the Gas Tax allocation received by the City for the years 2014 to 2017 will continue to be approximately \$11.0 million. This is an estimate only and is subject to change.

Urban Highway Connector Program

The Urban Highway Connector Program ("UHCP") would see the City assume responsibility for several roads within city limits that are currently managed by the Province of Saskatchewan.

Provincial Grant – Stadium Project

As a funding partner, based on a Memorandum of Understanding (MOU) between the Province, the Saskatchewan Roughrider Football Club and the City, the Province has agreed to provide the City with an \$80 million provincial grant. The Province and the City are finalizing the terms of the Provincial Grant Agreement. As outlined in the Stadium Project Financial Plan submitted to City Council on January 28, 2013, the terms and conditions of this grant will be based on funding to be received over four years with \$5 million in the 2012/13 fiscal year, \$25 million in the 2013/14 fiscal year, \$25 million in the 2014/15 fiscal year and the final \$25 million in the 2015/16 fiscal year. Conditional terms within the agreement for the timing of the funds, the use of the funds, reporting requirements and repayment terms will be finalized and taken to Cabinet for approval. The Cabinet approved Provincial Funding Agreement will then be brought to City Council for approval.

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General Capital Expenditures

General Capital Investment Program Expenditures

Capital Expenditure Summary

Capital Expenditures (\$000's)	2013	2014	2015	2016	2017	Five Year Total
City Operations						
Street Infrastructure Renewal	18,143	29,500	31,000	34,000	37,000	149,643
Bridge Infrastructure Renewal	3,244	8,000	10,000	5,000	5,000	31,244
Traffic Control & Safety	4,808	5,112	9,502	8,425	8,624	36,471
Other Transportation Projects	350	3,770	80	80	80	4,360
Landfill	5,000	14,100	12,700	5,000	-	36,800
Waste Collection	320	80	480	480	480	1,840
Streetscape	851	643	548	533	456	3,031
Cemeteries	120	90	100	115	100	525
Golf Courses	350	350	350	350	400	1,800
Fire & Protective Services	20	555	445	65	65	1,150
Other Capital Projects	430	1,280	1,180	1,030	1,030	4,950
Division Total	33,636	63,480	66,385	55,078	53,235	271,814
Community Planning & Development						
Land Development	6,710	500	500	500	-	8,210
Official Community Plan	350	450	-	-	-	800
City Centre Development	150	650	-	-	-	800
Roadway Network Improvements	17,025	3,225	15,725	6,800	13,975	56,750
Other Transportation Projects CP&D	95	530	150	250	150	1,175
Recreation Facilities	510	2,000	4,845	6,500	730	14,585
Community Facilities	-	770	5,900	-	-	6,670
Open Space Restoration	625	1,050	1,100	1,100	1,100	4,975
Open Space Upgrades & New Development	60	60	-	-	-	120
Division Total	25,525	9,235	28,220	15,150	15,955	94,085
Corporate Services						
Fleet	11,324	11,469	10,599	9,444	9,037	51,873
Facilities	8,290	30,282	24,070	29,392	29,755	121,789
Information Technology	3,454	3,011	2,586	450	450	9,951
Division Total	23,068	44,762	37,255	39,286	39,242	183,613
Office of City Manager						
Regina Revitalization Initiative	14,192	59,429	164,465	25,359	12,500	275,945
Civic Capital Total	96,421	176,906	296,325	134,873	120,932	825,457
Regina Police Service	2,605	19,987	4,529	3,444	2,804	33,369
Total General Capital Expenditure	99,026	196,893	300,854	138,317	123,736	858,826
Available Funding	99,026	154,903	260,290	88,085	69,263	671,567
Funding Shortfall	-	41,990	40,564	50,232	54,473	187,259

Capital investments for the years 2013 – 2017 are identified in the table above. As noted in the individual divisional Capital Program Summaries, only a portion of the funding has been secured. The balance remains unfunded and is identified as "Funding Shortfall" in each table.

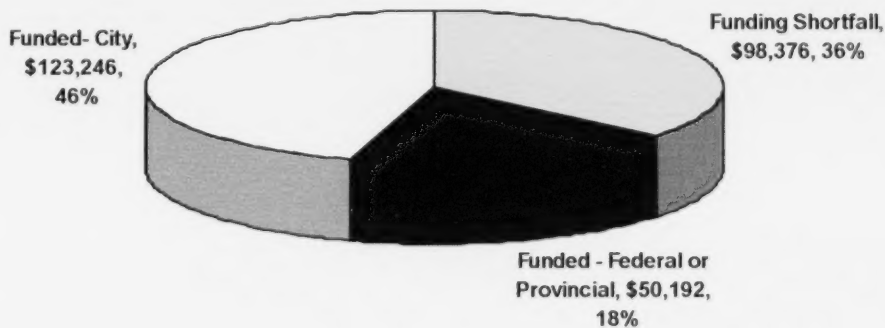
In November of 2011, the City of Regina implemented a re-organization whereby programs have been moved between Divisions to maximize efficiencies. This budget book reflects those changes. The re-organization has no impact on total funding or the allocation between programs.

City Operations Division

Capital Program Summary

Capital Expenditures (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Street Infrastructure Renewal	18,143	29,500	31,000	34,000	37,000	149,643
Bridge Infrastructure Renewal	3,244	8,000	10,000	5,000	5,000	31,244
Traffic Control and Safety	4,808	5,112	9,502	8,425	8,624	36,471
Other Transportation Projects	350	3,770	80	80	80	4,360
Landfill	5,000	14,100	12,700	5,000	-	36,800
Waste Collection	320	80	480	480	480	1,840
Streetscape	851	643	548	533	456	3,031
Cemeteries	120	90	100	115	100	525
Golf Courses	350	350	350	350	400	1,800
Fire & Protective Services	20	555	445	65	65	1,150
Other Capital Projects City Operations	430	1,280	1,180	1,030	1,030	4,950
Total Expenditures	33,636	63,480	66,385	55,078	53,235	271,814
Funding Sources (\$000's)						
Current Contributions	14,152	13,597	15,829	14,131	14,529	72,238
Asset Revitalization Reserve	2,200	-	-	-	-	2,200
Asphalt Plant Reserve	400	150	150	-	-	700
Cemetery Reserve	120	90	100	115	100	525
Fleet Replacement Reserve	350	-	-	-	-	350
General Fund Reserve	-	-	-	-	420	420
Golf Course Reserve	350	350	350	350	400	1,800
Landfill Reserve	5,320	14,180	12,760	5,060	60	37,380
Gas Tax (GT)	7,337	7,115	10,929	10,929	10,929	47,239
Service Agreement Fees - Roads	1,288	418	3,118	418	-	5,242
Service Agreement Fees - Parks	666	508	441	409	367	2,391
Provincial/Territorial Base Fund	1,453	1,500	-	-	-	2,953
Available Funding	33,636	37,908	43,677	31,412	26,805	173,438
Funding Shortfall	-	25,572	22,708	23,666	26,430	98,376

The following chart shows the identified capital requirements for the Division over the next five years, and reflects the current funding sources as well as the funding gap.



City Operations General Capital Expenditures

It should be noted that the capital expenditures proposed for street and bridge infrastructure renewal do not reflect the full investment required to maintain the roadway and bridge infrastructure at an optimal sustainable condition level or age. The expenditures shown for street infrastructure renewal have increased over several years in order to address the infrastructure needs of the city, and this expenditure does not represent the full total required to maintain infrastructure at its current level. This means the condition of the street infrastructure will continue to decline. To return to or maintain the average age and condition of the street infrastructure system closer to that expected at mid life, it is estimated that an additional investment in the order of \$60 million per year is required beyond the figures shown. For Bridge Infrastructure Renewal, an additional \$4 to \$5 million per year after 2012 is required to return the bridge infrastructure to an optimal level and maintain that level.

Street Infrastructure Renewal

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Street Infrastructure Renewal						
Street Infrastructure Renewal	15,643	29,500	31,000	34,000	37,000	147,143
Smith Street Reconstruction (12th Avenue to 11th Avenue)	2,500	-	-	-	-	2,500
Total	18,143	29,500	31,000	34,000	37,000	149,643
Funding Sources						
Current Contributions	10,853	7,197	9,920	9,860	10,360	48,190
Gas Tax (GT)	5,837	7,115	10,929	10,929	10,929	45,739
Provincial/Territorial Base Fund	1,453	1,500	-	-	-	2,953
Available Funding	18,143	15,812	20,849	20,789	21,289	96,882
Funding Shortfall	-	13,688	10,151	13,211	15,711	52,761

Current Year Programs

Street Infrastructure Renewal

General Program

This program funds planning, design, project co-ordination, and contract administration for street infrastructure renewal projects. Activities include project coordinators salary and benefits; skill development and other training costs; engagement of consultants and contractors to provide engineering design, project management and construction services; co-ordination of street infrastructure projects with construction activities managed by other divisions or departments; collection of data on the physical condition of roads; enhancement of technology and supporting tools for strategic planning and program development to strengthen street infrastructure assets. Portion of funding could be available from the Gas Tax Fund, Provincial Territorial Fund, and from Saskatchewan MHI for Urban Highway Connector Program.

The program strengthens the street infrastructure which supports in our community public safety, economic development, commerce and industry, and the environment.

Based on public surveys, the road network rates as one of the highest in terms of importance for service delivery; however, it rates as the lowest in terms of service satisfaction.

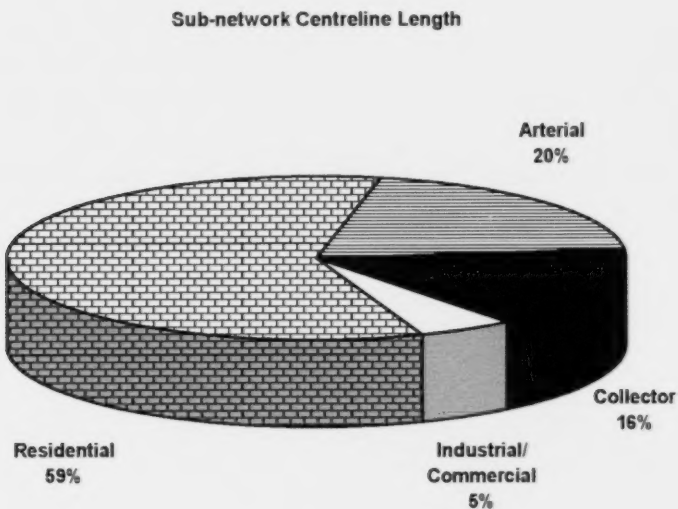
The road network infrastructure includes:

- 926 kilometres of paved roads,
- 27 kilometres of gravel roadways; and
- 1,289 kilometres of sidewalks.

The road network that serves the city of Regina is classified into four functional road categories or sub-networks:

- Arterial (major and minor arterials, expressways, highways, ramps and loops)
- Collector (major and minor collectors)
- Industrial/Commercial (major and minor industrial / commercial locals)
- Residential (residential locals)

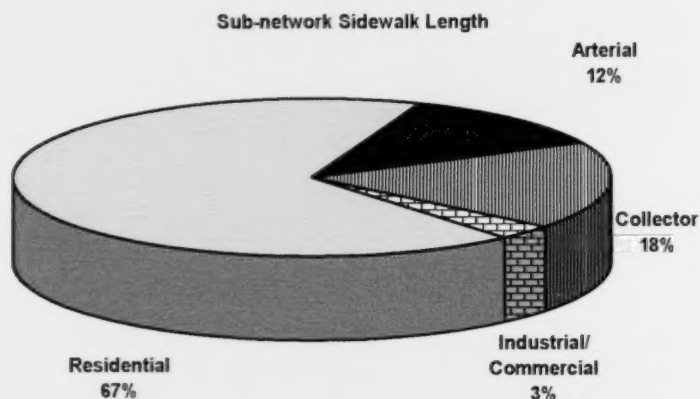
The functional classification of the road inventory in percentage of centreline length is shown in the following chart.



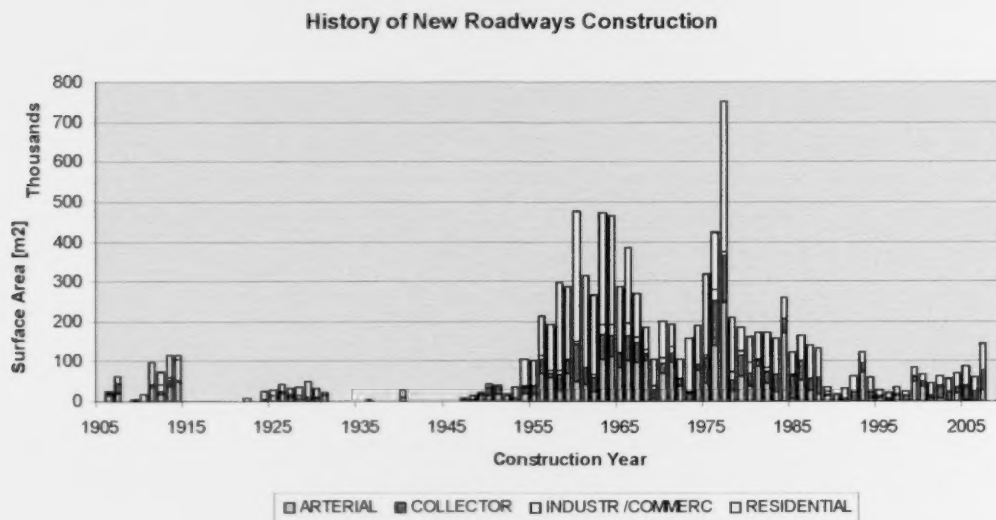
The sidewalks are part of road network infrastructure and they are classified in a similar way as the roads, e.g. the collector network includes sidewalks adjacent to roads that are classified as both major and minor collectors. In addition sidewalks are also classified as:

- Group A (high volume pedestrian traffic)
- Group B (low volume pedestrian traffic)

The functional classification of the sidewalks inventory in percentage of sidewalk length is shown in the following chart.

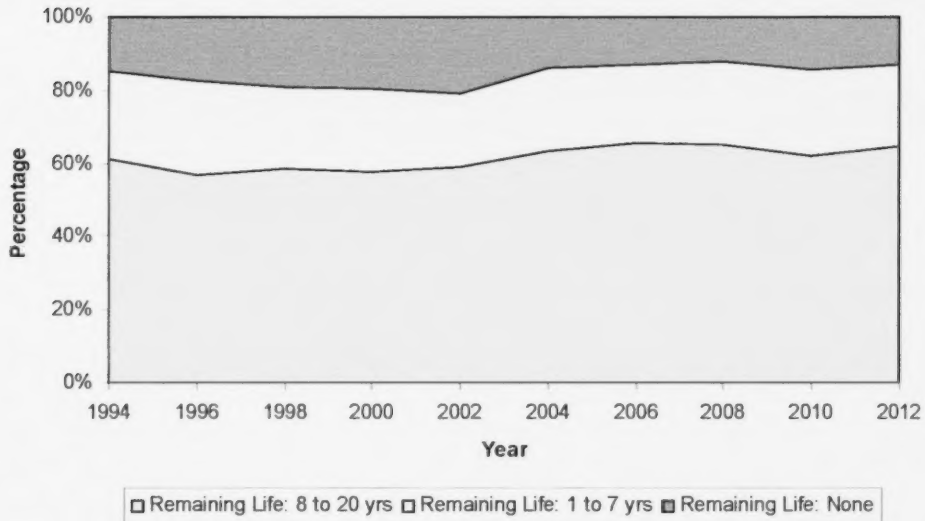


Much of the Regina's road network, as shown in below graph, was constructed between 1945 and 1985, with peaks between 1960 to 1965, and around 1977. The road network development was in conjunction with development of residential neighbourhoods.



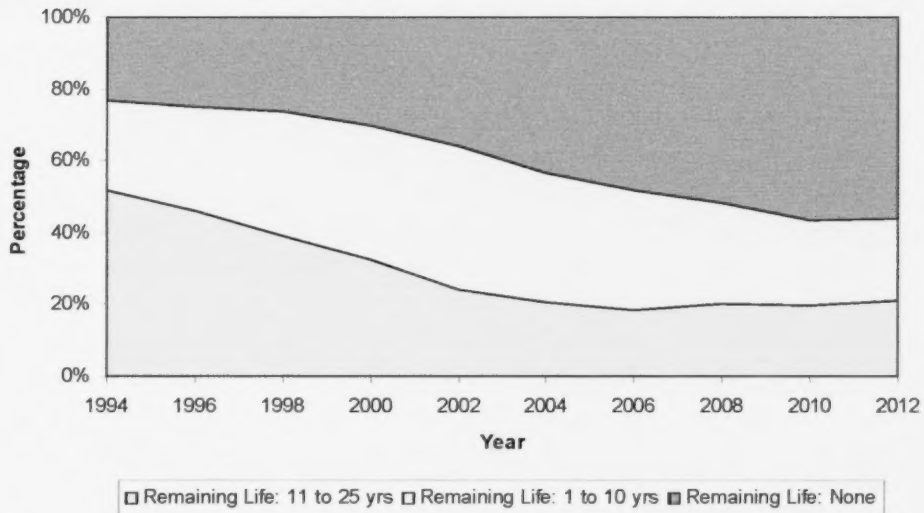
Using age as an indicator for the health of the road network approximately 85% of the asphalt surface of the arterial, collector, and industrial sub-network is currently in a fair or good condition, 15% of the asphalt surface is beyond its useful life as shown in the following chart.

Surface Age - Arterials, Collectors, Industrial



Using age as an indicator approximately 45% of the asphalt surface of the residential network is currently in a fair or good condition, 55% of the asphalt surface is beyond its useful life as shown in chart below.

Surface Age - Residential



Roads structures (i.e. base underlying the asphalt surface) are generally designed with an expected life-cycle of 45 to 60 years. In order for road structures to survive their full life expectancy, road preservation activities must be applied appropriately every 10 to 15 years until reconstruction is required at the end-of-life.

Typically under the Street Infrastructure Renewal program the following roadway treatment solutions are used to extend the road structure life:

- **Reconstruction.** The existing base structure and asphalt layer is removed and replaced with new material or the existing material is re-cycled in place and covered with a layer of new asphalt. The reconstruction is often combined with replacement of walk, curb and gutter. This is done under the Local Improvement Program (LIP), where property owners pay a portion of the sidewalk, curb and gutter replacement cost.
- **Rehabilitation (Asphalt Recap).** A portion of the existing asphalt layer is removed by milling and replaced with new asphalt. This treatment is applied when the road shows severe distresses, such as cracks, potholes, depressions, etc., however the base structure (support layer) under the asphalt is still in good shape. Concerns related to sidewalks are addressed as well.
- **Thin Lift Overlay.** This is paving of the road with a thin layer of asphalt on top of the existing pavement. This is applied where the road shows signs of wear, however is generally still in a good condition. Good drainage is a key factor, i.e. curb, gutter and sidewalks must be in a good condition.

Over the past 19 years, the average amount of road reconstruction has been ~1.7 km. The amount of road rehabilitation (reconstruction and resurfacing) that has been accomplished since 1994 is shown in the following table.

Road Rehabilitation (Kilometres)

Year	Street Reconstruction			Street Resurfacing	
	Collectors & Arterials	Local Streets	Total	Collectors & Arterials	Total Rehabilitation
1994	0.3	1.6	1.9	26.8	28.7
1995	0.8	1.5	2.3	8.5	10.8
1996	0.3	0.8	1.1	10.0	11.1
1997	2.7	1.3	4.0	12.2	16.2
1998	0.8	0.2	1.0	9.4	10.4
1999	1.9	1.3	3.2	16.6	19.8
2000	2.0	1.8	3.8	13.0	16.8
2001	1.2	1.4	2.6	17.0	19.6
2002	0.9	0.8	1.7	15.9	17.6
2003	0.7	0.0	0.7	20.3	21.0
2004	0.5	0.0	0.5	19.3	19.8
2005	0.4	0.0	0.4	24.1	24.5
2006	2.2	0.3	2.5	23.7	26.2
2007	0.0	2.4	2.4	25.9	28.3
2008	0.5	0.2	0.7	34.5	35.2
2009	0.3	0.3	0.6	26.6	27.2
2010	0.0	0.8	0.8	27.5	28.3
2011	7.0	1.1	1.8	21.8	23.6
2012	0.5	0.8	1.2	19.8	21.0
Annual Average			1.7	19.6	21.4

To maintain the road network life cycle we will require ideally an estimated investment of \$65-80 million annually over a 10 year period to bring the road network to realistic lifespan and eliminate current backlog. We realise that we cannot achieve this level of activity immediately, even if the funds were available (due to lack of capacity: personnel, consultants, materials, equipment, etc.)

Currently the Street Infrastructure Renewal program continues to focus on rehabilitation of major roadways in order to provide the most benefit to all motorists and commerce as 80% of the traffic is carried on 20% of the total road network. Therefore, funding for street infrastructure renewal is prioritized in the following order: expressways and arterial roadways, collector roadways and bus routes, major local roadways-

commercial, industrial, institutional, and then local roadways. Over the past three years, 70% of the Street Infrastructure Renewal Program budget has been allocated to arterial and collector roads, 25% to residential roads and 5% to industrial roads.

In the last 19 years, arterial roads have shown gradual improvement, and the residential local roads show a more rapid decline. Overall the average condition of the arterial and collector road sub-networks is relatively good, while the condition of the residential sub-network is significantly poorer.

Smith Street Reconstruction (12th Avenue to 11th Avenue)

This project will plan and co-ordinate construction activities for Smith Street reconstruction. The reconstruction project supports and is required by the Downtown Neighbourhood Plan. To accommodate the Downtown Neighbourhood Plan, Transit required new bus routes on streets that do not have the structural capacity to carry the additional loading. This project addresses the need for additional structural capacity and accommodates operational needs for the City and external utility companies.

In order to build additional structural capacity, the project also requires upgrades to domestic sewer, storm, water infrastructure, IT and communications infrastructure, and traffic signals.

Bridge Infrastructure Renewal

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Capital Expenditures						
Bridge Infrastructure Renewal:						
Bridge Infrastructure Renewal	3,244	8,000	10,000	5,000	5,000	31,244
Total	3,244	8,000	10,000	5,000	5,000	31,244
Funding Sources						
Current Contributions	1,744	2,800	3,200	1,450	1,400	10,594
Gas Tax (GT)	1,500	-	-	-	-	1,500
Available Funding	3,244	2,800	3,200	1,450	1,400	12,094
Funding Shortfall	-	5,200	6,800	3,550	3,600	19,150

Bridge Infrastructure Renewal Program

Bridge Rehabilitation Program plan over the next ten years is to increase the level of preservation and maintenance activity such that the level of service is improving rather than declining or remaining at status-quo. To achieve this plan, an average investment of \$8 Million is required annually (2012 dollars). The capacity to complete the required activity must be built-up over time, as such; the 2014 budget is \$8 Million and will increase year by year.

The 2013 proposed Bridge Infrastructure Renewal Program plan to conduct two major repairs/rehabilitation at Ross Avenue over Ring Road and Argyle Street over Ring Road bridges along with minor repairs on various locations. The Program strengthens the bridge infrastructure which supports public safety, economic development, commerce and industry in our community, and the environment. Growth of the community and economic success is greatly influenced by bridge conditions and public perception. A healthy transportation infrastructure supports commercial and industrial activity

This account provides funds for implementation of engineering studies, designs, construction, construction management and administration to support the City's bridge infrastructure renewal program

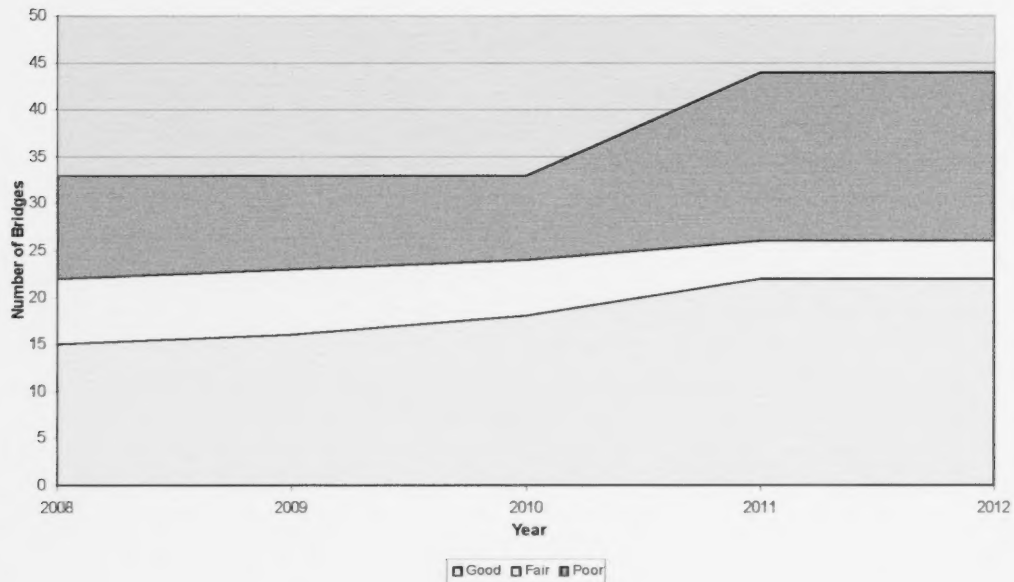
The City's transportation network includes fifty-four bridges that included eight rail overpasses, three timber bridges and forty three concrete bridges. Concrete bridge structures are designed with an expected life-cycle of 70-80 years. In order to survive to their full life-expectancy, a combination of repairs and rehabilitation activities must be appropriately applied until replacement is required at the end-of-life. A bridge structure needs major repair/rehabilitation works in every 20-25 years in its life cycle.

Eleven bridges in the City bridge inventory are identified as Urban Highway Connector Program (UHCP) locations and eligible to receive funding from Saskatchewan Ministry of Highway and Infrastructure (MHI) for the rehabilitation. Capital projects on urban connectors are typically eligible for assistance from MHI at their respective provincial interest levels.

Beside roadway bridges, the City of Regina has an inventory of thirty-one pedestrian bridges.

Based on current structural conditions, the City Bridge Maintenance Program (BMP) identified that eighteen bridges need major repairs/rehabilitation by 2018. Among these 18 eighteen bridges, five bridges on urban connector network, therefore bridge rehabilitation projects will require an approval from the Ministry of Highway according to UHCP framework agreements.

Condition Rating Roadways Bridges, incl. UHCP



Traffic Control and Safety

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Capital Expenditures						
Traffic Improvements:						
9th Ave N Winnipeg to McDonald Safety	2,200	-	-	-	-	2,200
Anti-Whistling	-	119	50	57	157	383
Arcola Ave. Expressway Lighting	650	-	-	-	-	650
Expressway Light Rehabilitation	135	470	470	470	470	2,015
Noise Attenuation Program	-	50	85	5,000	5,000	10,135
Pedestrian Protection	272	252	257	257	262	1,300
Quance St. Safety Improvements	-	250	-	-	-	250
Residential Street Light Upgrading	-	70	70	70	70	280
Saskatchewan Dr. at Albert St. Intersection Improvements	-	600	6,000	-	-	6,600
Traffic Safety and Parking Infrastructure	280	361	365	366	370	1,742
Traffic Signals:						
Addition of Bucket Truck	-	215	-	-	-	215
Addition of Crane Truck	-	250	-	-	-	250
Addition of Two General Service Trucks	-	120	-	-	-	120
LED Rehabilitation Program	-	300	300	300	300	1,200
LED Replacement Program	-	150	-	-	-	150
New/Enhanced Traffic Signals Program	826 50	810 100	810 100	810 100	900 100	4,156 450
Traffic Signal Rehabilitation	395	995	995	995	995	4,375
Total	4,808	5,112	9,502	8,425	8,624	36,471
Funding Source						
Asset Revitalization Reserve	2,200	-	-	-	-	2,200
Current Contributions	1,320	1,643	2,043	2,322	2,415	9,743
Service Agreement Fees - Roads	1,288	418	3,118	418	-	5,242
Available Funding	4,808	2,061	5,161	2,740	2,415	17,185
Funding Shortfall	-	3,051	4,341	5,685	6,209	19,286

There is significant infrastructure in place to provide for the safe and effective use of the transportation system. This infrastructure is intended to address the needs of traffic and pedestrian users of the system.

Current Year Programs

9th Avenue N Winnipeg to McDonald Safety Improvements

This project is to conduct a study of 9th Avenue North between Winnipeg Street and McDonald Street to ensure the roadway meets City standards for the volume and type of use. The preliminary study was completed in 2012 to develop the types of road configuration that are needed. A detailed study of the existing underground utilities, pipelines etc is being conducted in 2013 analyze and finalize the road configuration and determine detailed design and costs. Construction is scheduled for 2013. Labour, equipment, software, and consulting/contracted services to complete this work are within the scope of the program.

Arcola Avenue Expressway Lighting

This project will install Expressway Lighting on the section of Arcola Avenue between Prince of Wales Drive and the East City Limits that currently does not have any expressway lighting. The primary objective of roadway lighting is to enhance vehicle safety by providing drivers with improved night time visibility of roadway conditions and potential hazards as well as to adequately illuminate both controlled and uncontrolled intersections. This new lighting provides expressway lighting uniformity along the Arcola Avenue corridor and will enhance the safe and efficient operation of Arcola Avenue during dusk, dawn and night. After the installation occurs the lighting along Arcola Avenue in within the project limits will meet the City's current minimum illumination standard (based on national guidelines available from the Transportation Association of Canada as well as the Illumination Engineering Society RP-8 standard). All labour, materials, supplies, equipment, and consulting/contracted services to complete this work are within the scope of this project.

Expressway Light Rehabilitation

This program targets to rehabilitate the City's approximately 900 expressway poles and their associated control cabinets over a 10 year period. The goal of the program is a reduction in overall maintenance costs due to infrastructure failures and an increase in level of service and reliability. Location selection occurs annually based on the current condition of the assets as environmental conditions and rate of failure of the asset may impact the order of importance for replacement. The infrastructure replaced includes wiring, cabinets, cabinet components, luminaries and breakaway pole base components (replacement of concrete pole bases occurs under this program when the base has deteriorated to the point of failure). All labour, materials, supplies, equipment, and consulting/contracted services to complete this work are within the scope of the program.

This budget request for 2013 includes 25% of a full time position to support this program and other traffic signal and lighting related programs due to continual additional infrastructure related to growth. Typically the branch has been focussing on accommodating new developments which has impacted the City's ability to attend to existing infrastructure rehabilitation and maintenance concerns. This portion of a full time equivalent position will assist in ensuring adequate staff are available to attend to increasing infrastructure needs.

Pedestrian Protection

This is an annual program to improve pedestrian accommodations and safety for the public throughout the City. Improvements include the installation and rehabilitation of pedestrian corridors (flashing red lights), pedestrian half signals, pedestrian crosswalk signs, no parking signs near schools, and the installation of pedestrian fencing adjacent to high speed roadways. Funding typically provides for the installation of one pedestrian corridor and three pedestrian crosswalks, and the rehabilitation of two pedestrian corridors. In 2012, funding was used to install pedestrian crosswalks and signs and no parking signs near schools. Locations for installation of new pedestrian corridors were selected and construction will begin in 2013. Labour, equipment, software, and consulting/contracted services to complete this work are within the scope of the program.

Traffic Safety and Parking Infrastructure

This is an annual program consisting of multiple traffic safety projects aimed at improving the safety and/or efficiency of on street vehicle movements or support parking control infrastructure programs. Safety improvements include additional turning lanes, channelization, traffic calming, new or improved signing, or durable pavement markings. Intersection safety is also considered and intersections are analysed for improvements based on potential for collisions, traffic volumes, measured delay, public concerns and field observations. Labour, equipment, project management and consulting/contracted services to complete this work are within the scope of the program.

New/Enhanced Traffic Signals

Based on new development and growth, changes in traffic flow, increasing traffic congestion, pedestrian accessibility needs and public transit schedule adherence considerations, new or enhanced traffic signals

are required. Projects included within this program are: traffic signal design and installation, new/additional/enhanced vehicle detection device installation, signal timing/phasing changes (including the addition of left turn signal displays), and accessible pedestrian signals installation and evaluation. Labour (including design and evaluation time), materials, supplies, equipment, analysis tools, software, and consulting/contracted services to complete this work are within the scope of the program.

In 2013 projected growth in the City and changes in traffic flow due to new developments requires the installation of up to five new traffic signals. Other planned enhancements and upgrades for 2013 could include Accessible Pedestrian Signals installation at five locations, new left-turn arrow installations at seven locations, additional vehicle detection devices and other miscellaneous upgrades. Location selection is annual based on traffic signal warrant analysis (calculated from traffic volume data collected by the City's traffic counting program), delay studies, safety evaluations and growth projections.

This budget for 2013 includes 25% of a full time position to support this program and other traffic signal and lighting related programs due to continual additional infrastructure related to growth. Typically the branch has been focussing on accommodating new developments which has impacted the City's ability to attend to existing infrastructure rehabilitation and maintenance concerns. This portion of a full time equivalent position will assist in ensuring adequate staff are available to attend to increasing infrastructure needs.

Traffic Signal Detection Replacement Program

Most of Regina's traffic signals require extensive vehicle detection systems to provide sufficient data to the traffic signal controller for effective traffic signal operation. The existing microwave detection units used extensively in the City are beyond their design life and are failing, which is resulting in an inefficient traffic signal operation. The inefficient traffic signal operation causes vehicular delay and increased driver frustration.

This program replaces failed or failing microwave vehicle detection units with the latest video image detection technology to achieve proper traffic signal operation and assure reliability. The recommended rehabilitation program is to replace the microwave detection units over a 10 year period (approximately six intersections per year). An annual budget of \$100,000 is required. Labour, equipment, software, and engineering services to complete this work are within the scope of the program.

Traffic Signal Rehabilitation

This is an ongoing annual program performing end of life asset replacement targeting rehabilitation of 4% of the City's signalized intersections per year. The program includes the replacement of traffic signal poles, ducts, wiring, controls, lights, detection equipment, audible pedestrian indications, software, other ancillary supplies and components based on the expected life spans of the individual component types. Electronic equipment has a shorter end of life and replacements occur based on a ten year end cycle after considering the current condition and functionality. Labour, materials, supplies, equipment, analysis tools, software, and consulting/contracted services to complete this work are within the scope of the program. Program locations are selected yearly based on the condition of the signals (and their components) and coordination with major roadway projects. At the end of 2011 approximately 33% of the City's traffic signals were over 25 years old and 14% were between 15 and 24 years old.

This budget for 2013 includes 25% of a full time position to support this program and other traffic signal and lighting related programs due to continual additional infrastructure related to growth. Typically the branch has been focussing on accommodating new developments which has impacted the City's ability to attend to existing infrastructure rehabilitation and maintenance concerns. This portion of a full time equivalent position will assist in ensuring adequate staff are available to attend to increasing infrastructure needs.

Future Years Planned Programs

Anti-Whistling

As required by federal law, railroads must sound their engine whistles while they approach any railway/roadway level crossing. Of the approximately 55 level crossings in Regina, 20 crossings have been identified as locations where anti-whistling would be beneficial to the surrounding community. All locations slated for anti-whistling must pass rigorous safety inspections that often result in upgrades or replacement of the warning devices, such as advanced warning devices and gates. The Capital funding is to cover the costs of safety audits and improvements such as signals, fencing and pedestrian crossings so railway crossings can meet the safety criteria at the locations where anti-whistling is planned. Labour, equipment, software, and consulting/contracted services to complete this work is also within the scope of the program.

Noise Attenuation Program

This program is to develop a comprehensive road noise strategy and policy that addresses noise predictions and measurements for existing and future developments. The first phase completes a comprehensive noise abatement strategy to develop a needs assessment. The second phase of this program is a feasibility study to determine implementation costs and prioritize candidate locations. Labour, equipment, software, and consulting/contracted services to complete this work are within the scope of the program.

Quance Street Safety Improvements

Quance Street was originally designed to function as a commercial collector to allow traffic to move with relative ease, from Truesdale Drive to Prince of Wales drive, and still have access to the surrounding businesses. The project will assess the overall elements that make up the Quance Street corridor from Truesdale Drive to Prince of Wales Drive. The route includes a number of large retail stores and shopping centres which all generate significant turning traffic volumes. In 2012 a traffic safety study was completed assessing the overall elements that make up the Quance Street corridor. This study reviewed traffic flow conditions, levels of service, crash history and pedestrian safety along the study segment and provided short term and long-term solutions to enhance safety on this segment of Quance Street. Short term improvements will be implemented in 2013 to address pedestrian safety and critical turning movements. Longer term improvements will be implemented as funding is made available. Labour, equipment, software and consulting services to complete this work are within the scope of the project.

Residential Street Light Upgrading

This program manages and evaluates illumination levels for the City's residential streets with a goal of providing and ensuring residents, businesses and roadway users have adequate roadway illumination. Annual project selection occurs through two processes: residents, businesses and roadway users request additional street lights and City staff evaluates areas of the City with known or suspected deficient lighting levels. City staff establishes a yearly program based on both need and available budget. Once program locations have been identified the City requests SaskPower to design, install, and maintain these new assets, with funding provided by the City. The City's annual Operating Budget budgets for the electricity costs related to the new assets. These annual operating costs are \$203 per year per streetlight (based on the average cost of 18,176 total streetlights at a total estimated cost of \$3,689,620 in 2011).

Saskatchewan Drive at Albert Street Intersection Improvements

This project provides upgrades to Saskatchewan Drive and Albert Street to increase the safety and capacity, of the intersection. Anticipated work includes reconfiguration of the intersection geometry and upgrades to the traffic signals and installation of new pavement & sidewalks. All labour, materials, project management, services, equipment, and consulting/contracted services as required for this project are within the project scope. Possible funding partnerships will be considered.

Addition of Crane Truck

This project acquires a crane truck for the Traffic Signals & Lighting Branch. As capital infrastructure work, maintenance work and rehabilitation projects increase due to continued growth and development within the City it has become necessary to add an additional vehicle capable of lifting large and heavy loads enabling two separate crews of staff to work on projects both requiring the use of a resource of this type. This additional vehicle ensures that when the current crane truck is out of service that projects are not delayed or omitted due to lack of resources.

Addition of Bucket Truck

This project acquires a bucket truck (aerial lift) for the Traffic Signals & Lighting Branch. As capital infrastructure work, maintenance work and rehabilitation projects increase due to continued growth and development within the City and due to aging infrastructure it has become necessary to add an additional aerial lift vehicle to support the multiple programs requiring the use of a resource of this type.

Addition of Two General Service Trucks

This project acquires two general service trucks for the Traffic Signals & Lighting Branch. As capital infrastructure and maintenance work increase due to continued growth and development in the City, we are utilizing smaller work crews dispatched to more locations in order to continue with the current level of service. This requires more vehicles to be available for use. Additionally, as on street safety becomes of greater concern and projects become larger in work zone size these additional vehicles provide resources to supplement the work zone set-up through the use of onboard arrow boards.

LED Rehabilitation Program

This is an on-going annual program performing end of life asset replacement of LED traffic signal lamps that were installed under the City's LED Replacement Program. It is expected that this on-going rehabilitation project will begin in 2014 as the industry standard expected useful life for an LED traffic signal lamp is 5-7 years. When an LED has been in operation for 5-7 years its intensity degrades to levels that no longer meet applicable standards and specifications for illumination properties. This useful life therefore requires approximately 20% of the lamps to be replaced annually, starting in 2014 upon completion of the five year capital LED Replacement which will be started in 2009 and completes in 2013. Labour, materials, services, equipment, analysis tools and consulting/contracted services to complete this work are within the scope of the program.

LED Replacement Program

This is the continuation of a five year planned replacement program (installation began in 2009) to replace the City's estimated 8,300 incandescent traffic signal lamps with the LED equivalent. LED lamps are more efficient which results in lower electricity costs and less generation of greenhouse gases. It is estimated that this conversion process will result in an annual electricity cost savings of \$172,000 annually once the program is complete in 2013. LED lamps also provide enhanced reliability as the lamp does not burn out and can be replaced in a planned and systematic manner rather than requiring the current ad hoc replacements combined with a yearly program to preventatively replace incandescent bulbs prior to their failure. LED bulbs will result in increase reliability to the public. This program also complies with legislative requirements that will ban the manufacture of incandescent light bulbs. Labour, materials, services, equipment, analysis tools and consulting/contracted services to complete this work are within the scope of the program.

A portion of a full time equivalent position at a 25% level is required in 2013 to support this program and other traffic signal and lighting related programs which are related to additional infrastructure due to growth. A typical planning guideline estimates that one full time position is required for every 10 new traffic signals. Budget that was allocated in 2012 will be sufficient to support this 25% full time equivalent position combined with other 2013 budget requests.

Other Transportation Projects

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Other Transportation Projects						
Civic Radio System Replacement	-	3,690	-	-	-	3,690
Concrete SlipForm Replacement Purchase	350	-	-	-	-	350
Railway Crossing	-	50	50	50	50	200
Ring Road Sign Rehabilitation	-	30	30	30	30	120
Total	350	3,770	80	80	80	4,360
Funding Sources						
Current Contributions	-	1,320	26	23	22	1,391
Fleet Replacement Reserve	350	-	-	-	-	350
Available Funding	350	1,320	26	23	22	1,741
Funding Shortfall	-	2,450	54	57	58	2,619

Current Year Programs

Concrete SlipForm Replacement Purchase

The current concrete slipform is a 1985 Gomaco, it is over 25 years old. We continue to recognize increases in projected and scheduled work where the slipform is required. Interest in upgrading the local street network continues to be important, both through the local improvement project as well as looking for new ways to address the deteriorating local network. There are currently 15 Local Improvement proposals to be considered and in order for program to be sustainable we require replacement of our existing machine, recognized that it is nearing the end of its already extended life expectancy. The payback based on efficiencies would approximate \$150K for this season and for each season ahead. For the past three seasons, 21%, 32% and 29% of our work has been performed using the SlipForm. For the 2013 construction season, it is anticipated that 60% of the work to be undertaken while require the use of the SlipForm. In other words, \$6.0M of \$10.2M in scheduled spending will require the use of the SlipForm. Roadways Preservation has identified projections of continued commitment to perform four to five km of slip allocated work each construction season.

This also allows potential for revenue generation opportunity should consideration be given to new subdivision development and entering work for 3rd parties with both concrete and asphalt programs.

Future Years Planned Programs

Civic Radio System Replacement

In 2013, the current radio system, used corporately by Fire, Police, EMS, Parks & Open Space and outside agencies will be replaced with a new system. This will be required to replace any portable and mobile radios that we currently use, that will not be compatible with the new system.

The current system has undergone several upgrades since its inception approximately 10 years ago. Its last software release will be installed in 2010. However, no further upgrades will be available, making the purchase of new equipment mandatory.

Funding for the radio infrastructure will be requested through the Corporate Radio Committee; however each user agency is required to fund any user gear (portables, mobiles) via their own departmental budget. This budget is based on replacing MTX838 B7 portable radios at approximately \$4K/radio.

Railway Crossing

This program is to upgrade the roadway at railroad crossings to safe railway condition. This program is coordinated with Canadian National Railway and Canadian Pacific Railway programs to upgrade the railroad tracks at the crossings. Two or three crossings are upgraded every year. The activities involved in this program are engineering services, asphalt resurfacing, concrete repairs, and replacing railway seals.

Portion of cost will be shared with the Canadian National Railway and Canadian Pacific Railway. City liability for damages and injuries due to railway crossing condition may increase.

Ring Road Sign Rehabilitation Program

There are 44 large green information signs along Ring Road from Victoria Ave to Pasqua Street. These signs are beyond their design life and are deteriorating. This program's intent is to replace these signs with new, more visible and functional signs that meet national standards. The recommended rehabilitation program is to replace the signs over a 10 year period (approximately six signs per year). An annual budget of \$30,000 is required. Labour, equipment, software, and consulting/contracted services to complete this work are within the scope of the program.

Landfill

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Capital Expenditures						
Fleet Street Landfill:						
Landfill Capping and Closure	1,000	2,500	2,500	1,000	-	7,000
Landfill Gas Collection	3,000	100	1,200	-	-	4,300
New Landfill:						
Landfill Development-Engineering Design and Construction	1,000	11,500	9,000	4,000	-	25,500
Total	5,000	14,100	12,700	5,000	-	36,800
Funding Sources						
Landfill Reserve	5,000	14,100	12,700	5,000	-	36,800
Available Funding	5,000	14,100	12,700	5,000	-	36,800
Funding Shortfall	-	-	-	-	-	-

The City's landfill is located in the northeast corner of the city. The landfill has been in operation at the site since 1961. The entire site occupies approximately 124 hectares, with the approved footprint of the landfill disposal area covering approximately 80 hectares. The current height of the landfill is approximately 45 meters above the surrounding landscape.

Current Year Programs

Landfill Capping and Closure

The City has identified a need to update the previous closure plan, identify material to be used for construction, develop a closure progression schedule, engineering, design and construction of an engineered cover. Landfill capping and closure ensures compliance with the requirement of Saskatchewan Ministry of Environment (SMOE)'s Permit to Operate and the Waste Management regulations.

Landfill Gas Collection

The Landfill Gas Collection and Flare System capture and destroy landfill generated methane which is a Greenhouse Gas. Work includes engineering design and construction of gas collection wells and piping and associated elements.

Landfill Development-Engineering Design and Construction

This project provides for expansion of the Fleet Street Solid Waste Disposal and Recovery Facility (landfill) which is a critical component of the City's waste management infrastructure. Work includes engineering, design and construction of new landfill cell areas including environmental protection elements and associated improvements.

Waste Collection

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Capital Expenditures						
Solid Waste						
Rear Alley Cart Truck	320	-	-	-	-	320
Refuse Cart Replacement	-	-	420	420	420	1,260
Refuse Cart Population Growth	-	60	60	60	60	240
Waste Plan Regina - Implementation Plan	-	20	-	-	-	20
Total	320	80	480	480	480	1,840
Funding Sources						
Current Contributions	-	-	134	122	-	256
General Fund Reserve	-	-	-	-	420	420
Landfill Reserve	320	80	60	60	60	580
Available Funding	320	80	194	182	480	1,256
Funding Shortfall	-	-	286	298	-	584

Current Year Programs

Rear Alley Cart Truck

Solid Waste Collection requires the addition of a 27 yard garbage packer for cart collection in rear alleys. Alley collection is being converted from shared alley containers to individual cart collection. The current alley fleet of automated side loaders is being replaced with smaller capacity cart trucks which are able to maneuver in the alleys where the front street fleet cannot operate.

The alley fleet has always consisted of 10 automated collection trucks however; one was replaced in 2010 with a rear loader to provide redundancy for the manual collection operation. A minimum of 10 vehicles is needed for alley collection. Route sizes have been decreased to accommodate the new collection method of two sided alley collection, increased collection time and smaller capacity vehicles. An additional cart truck is needed to bring the alley fleet back up to 10 units to accomplish the work and certainty of service through adequate fleet redundancy.

Future Year Programs

Refuse Cart Replacement

Carts have an expected lifetime of 10 years. Cart deployment began in 2006; therefore an annual replacement program will need to be initiated in 2015 to begin deployment in the following year.

Refuse Cart Population Growth

Purchase of 1,000 refuse carts annually for expected population growth.

Waste Plan Regina - Implementation Plan

The Implementation of Waste Plan Regina includes providing property-side recycling, bulky waste pick up and yard and leaf waste collection to 65,000 residences, conversion of back alley shared refuse containers to carts (30,000), construction of a permanent House Hold Hazardous Waste Facility and the creation of a utility billing system for solid waste collection.

Streetscape

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Streetscape Development:						
9th Avenue North - McCarthy Blvd to Courtney St	623	-	-	-	-	623
Arcola Avenue - Chuka Blvd to Chuka Creek	-	-	320	-	-	320
Arcola Avenue - Woodland Grove to Chuka Blvd	-	180	-	-	-	180
Courtney Street - North of Mapleford	-	-	-	125	-	125
Dewdney Avenue - Pilot Butte Creek to Prince of Wales Drive	-	100	-	-	-	100
Lewvan Drive - 25th Avenue to Regina Avenue	-	-	-	-	270	270
Pasqua Street North - Big Bear Blvd to Hwy 11	-	-	-	180	-	180
Pasqua Street North - Rochdale Blvd to Diefenbaker Drive	-	135	-	-	-	135
Plant Material Establishment Funding	144	144	144	144	144	720
Streetscape Restoration:						
Tree Replacement along Arterials, Buffers and Parks	84	84	84	84	42	378
Total	851	643	548	533	456	3,031
Capital Funding						
Current Contributions	185	47	34	36	25	327
Service Agreement Fees (Parks)	666	508	441	409	367	2,391
Available Funding	851	555	475	445	392	2,718
Funding Shortfall	-	88	73	88	64	313

Current Year Program

9th Avenue North – McCarthy Boulevard to Courtney Street

This project will encompass the design and construction of a landscaped buffer along 9th Avenue North, from McCarthy Boulevard to Courtney Street, completing the 9th Avenue North; McCarthy Boulevard to Pinkie Road Roadway Network Improvement Project., The development will include trees, shrubs, and earth berms.

Plant Material Establishment Funding

Newly planted trees and shrubs in parks and open space in new developments are watered weekly for a three-year period to ensure establishment and survival of the new plant material. Any plantings that fail to survive this three-year period are replaced. Funded substantively through Servicing Agreement Fees, this program supports plant establishment, which significantly impacts and enhances the attractiveness of Regina's urban forest.

Tree Replacement along Arterials, Buffers and Parks

Over the past several years, tree vacancy has become noticeable along arterial roads, buffers and within park space. Tree vacancy is a result of tree mortality subsequent to a three-year establishment period. Newly planted trees are maintained and watered during the establishment period. Subsequent to that, the trees do not receive further care. Most trees survive, however some die as a result of mechanical damage, vandalism, rodents, wildlife, environmental conditions and road construction. This program will replace these vacancies.

Future Years Planned Programs

Arcola Avenue – Chuka Boulevard to Chuka Creek

This project is comprised of street tree planting along both sides of Arcola Avenue, between Chuka

Boulevard and Chuka Creek. Street tree planting along this major arterial roadway, adjacent to The Creeks and Greens on Gardiner subdivisions, will maintain current landscape standards.

Arcola Avenue – Woodland Grove to Chuka Boulevard

This project is comprised of street tree planting along both sides of Arcola Avenue, between Woodland Grove and Chuka Boulevard. Street tree planting along this major arterial roadway, adjacent to The Creeks and Greens of Gardiner subdivisions, will maintain current landscape standards.

Courtney Street – North of Mapleford

This project comprises of street tree planting along Courtney Street, from Mapleford, north 350 metres.

Dewdney Avenue – Pilot Butte Creek to Prince of Wales Drive

This project is comprised of street tree planting along Dewdney Ave, between Pilot Butte and Prince of Wales Drive. This streetscape will create a unified planting scheme and help create a gateway into adjacent neighbourhoods, easing the transition from prairie to urban landscape.

Lewvan Drive – 25th Avenue to Regina Avenue

This project is comprised of street tree planting along the west side of Lewvan Drive, between 25th Avenue and Regina Avenue. Street tree planting along this major arterial roadway adjacent to Harbour Landing, will maintain current landscape standards.

Pasqua Street North – Big Bear Boulevard to Highway 11

This project is comprised of street tree planting along Pasqua Street North between Big Bear Boulevard and Highway 11. Street tree planting along this major arterial roadway, adjacent to the new Hawkstone subdivision, will maintain current landscape standards.

Pasqua Street North – Rochdale Boulevard to Diefenbaker Drive

This project is comprised of street tree planting along the west side of Pasqua Street North, from Rochdale Boulevard to Diefenbaker Drive. Street tree planting along this major arterial roadway, adjacent to the Lakeridge subdivision extension, will maintain current landscape standards.

Cemeteries

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Cemetery Improvements and Repairs:						
Cemeteries General Allocation	120	90	100	115	100	525
Total	120	90	100	115	100	525
Funding Sources						
Cemetery Reserve	120	90	100	115	100	525
Available Funding	120	90	100	115	100	525
Funding Shortfall	-	-	-	-	-	-

Current Year Programs

Cemeteries General Allocation

The Cemeteries General Allocation, funded entirely through the Cemeteries Reserve, is used to sustain the cemeteries' assets to ensure the cemetery program continues to effectively operate its two locations: Regina Cemetery and Riverside Memorial Park Cemetery. The work typically funded through the General Allocation includes the construction of monument strip foundations, columbarium purchases and installation, new and infill tree and shrub plantings, landscape upgrades, road repairs, sign installations,

and irrigation restoration. The cemetery program operates on a cost-recovery basis. Fees and charges are established to offset annual operating costs, as well as the cemeteries' capital needs.

Golf Courses

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
General Golf Course Projects:						
Golf Courses General Allocation	350	350	350	350	400	1,800
Total	350	350	350	350	400	1,800
Funding Sources						
Golf Course Reserve	350	350	350	350	400	1,800
Available Funding	350	350	350	350	400	1,800
Funding Shortfall	-	-	-	-	-	-

Current Year Programs

Golf Courses General Allocation

The Golf Courses General Allocation, funded entirely through the Golf Course Reserve, is used to sustain the golf courses' assets to ensure that the golf course program continues to operate effectively at its four locations: TorHill, Murray, Joanne Goulet and Lakeview Par 3. The capital work typically funded through the General Allocation includes mitigation of water erosion, course restoration and improvements, tree removal and replacement and irrigation systems restoration. The Golf Course Management and Financial Plan, approved by City Council in 1999, establishes the capital development strategy for golf courses in the context of course revenues.

Fire & Protective Services Department

Capital Summary (000's)	2013	2014	2015	2016	2017	Five Year Total
Other Equipment Fire						
Fire Capital Equipment Restoration & Wellness	20	65	65	65	65	280
Thermal Imaging Cameras	-	110	-	-	-	110
Traffic Signal Pre-emption	-	130	130	-	-	260
Training Props	-	250	250	-	-	500
Total	20	555	445	65	65	1,150
Funding Sources						
Current Contributions	20	194	142	19	18	393
Available Funding	20	194	142	19	18	393
Funding Shortfall	-	361	303	46	47	757

Current Year Programs

Fire Capital Equipment Restoration & Wellness

This program addresses unfunded equipment replacement needs. Equipment life cycle analysis has identified funding gaps based on life expectancy and upgrades to equipment as identified by NFPA Standards, CSA Standards and Occupational Health and Safety regulations. With no identified funding programs to replace these assets this equipment is or has surpassed its safe working life or is functionally obsolete placing our employees and the citizens at risk. Items in this category are related to fire appliances, specialized tools and equipment.

The program also includes the wellness/fitness equipment that supports the implementation and sustainability of the department's peer fitness program that promotes fitness and well-being of employees which allows them to meet the physical demands and challenges of the fire-fighting profession. The department cost shares fitness equipment with the employee organization.

Future Years Planned Programs

Thermal Imaging Cameras

The department currently has 11 thermal imaging cameras deployed on emergency response apparatus. This specialized equipment has proven invaluable in quickly locating fire victims, and/or fire and heat sources in extreme smoke and related emergency conditions. The thermal imaging camera is able to "see" through heavy smoke conditions during rescue or recognise heat within walls and partitions identifying fire extension. Due to the extreme conditions in which these cameras are required to function, they have a five-year life expectancy. Funding is for the replacement of all cameras.

Traffic Signal Pre-emption

Traffic light pre-emption reduces intersection accident rates up to 70%, thereby decreasing costs related to accident liability and vehicle replacement. This system allows fire apparatus responding to incidents to control the flow of traffic. The reduction in response times increases with the number of controlled signalized intersections thereby increasing the effective radius of each station. Program expansion is requested due to population and property development growth. Additional devices are needed in order to maintain the Department's response time objective.

Training Props

The department is developing a business plan in order to support mandatory personnel training programs. The props will assist in the delivery of the programs.

Other Capital Projects

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Capital Expenditures						
Asphalt Plant						
Granular Material - Salt Management	-	70	-	-	-	70
Improvement of soil blending and storing facility	-	30	-	-	-	30
Upgrade of major components of asphalt plant	400	150	150	-	-	700
Buildings & Yards						
Backstop Restoration	30	30	30	30	30	150
Snow Storage/Disposal Facility Development	-	1,000	1,000	1,000	1,000	4,000
Total	430	1,280	1,180	1,030	1,030	4,950
Funding Source						
Asphalt Plant Reserve	400	150	150	-	-	700
Current Contributions	30	396	329	299	288	1,342
Available Funding	430	546	479	299	288	2,042
Funding Shortfall	-	734	701	731	742	2,908

Current Year Programs

Upgrade of major components of asphalt plant

The 2013 portion of the asphalt plant upgrading project is to add equipment that would allow for recycling of asphalt slabs to produce hot mix asphalt during winter months for patching and cut repairs. The recycled asphalt would replace the cold mix. This initiative would generate 70% savings or up to \$50,000 per year.

Backstop Restoration

This program provides funding for the restoration or decommissioning of ball diamond backstops. Based on the recommendation of the Athletic Field Study, which provides principles, guidelines, standards and policies to guide the development and management of athletic surfaces, the Study includes criteria for prioritizing capital projects. Ball diamond backstops typically deteriorate as a result of significant use of the ball diamond. Restoration is prioritized by ball diamond use as well as consideration for the safety of users and spectators.

Future Years Planned Programs

Asphalt Plant

Upgrade of major components of asphalt plant

This is a general allocation for upgrading major components of the Asphalt Plant. Each component is evaluated periodically and scheduled for replacement during winter months if probability of total failure to occur within a year is high. The components selected for replacement due to economical reasons will be based on a cost/benefit ratio.

Granular Material - Salt Management

This project is to reduce the environmental impact of storing salt mixtures by eliminating or capturing runoff and removing salt prior to the water entering the sewer system. It will include engineering, procurement, and construction.

Improvement of soil blending and storing facility

Currently soil mixtures are stored outdoor and are exposed to rain. Wet soils are not workable and require increased labour and equipment time and substantial productivity losses for the landscape maintenance crews. It was estimated by the internal customers that the additional cost to handle wet soils is \$20,000 as compared to handling dry soils. The raw materials are stored on clay and after heavy rain the site is not accessible to blend soils for few days. This affects availability of the products to internal crews. To increase customers' satisfaction and reduce their down time it is proposed to pave the area where the materials are stored and build a roof over a portion of blended soils to secure the supply of dry materials for at least a week.

Snow Storage/Disposal Facility Development - Phase I Site Design

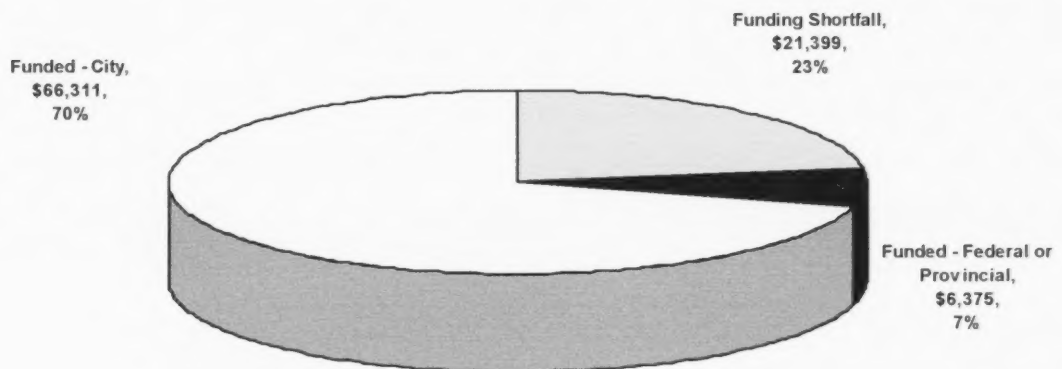
The City's vision is to develop an engineered, cost effective snow disposal system that will serve Regina's future needs. The City of Regina has an approved Salt Management Plan fulfilling the City's obligations under provincial and federal legislation. The City's stated goal in regard to snow disposal sites is to use TAC's Syntheses of Best Practices Road Salt Management - Snow Storage and Disposal.

Community Planning & Development Division

Capital Program Summary

Capital Expenditures (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Land Development	6,710	500	500	500	-	8,210
Official Community Plan	350	450	-	-	-	800
City Centre Development	150	650	-	-	-	800
Roadway Network Improvements	17,025	3,225	15,725	6,800	13,975	56,750
Other Transportation Projects CP&D	95	530	150	250	150	1,175
Recreation Facilities	510	2,000	4,845	6,500	730	14,585
Community Facilities	-	770	5,900	-	-	6,670
Open Space Restoration	625	1,050	1,100	1,100	1,100	4,975
Open Space Upgrades & New Development	60	60	-	-	-	120
Total	25,525	9,235	28,220	15,150	15,955	94,085
Funding Sources (\$000's)						
Current Contributions	1,831	1,524	2,656	2,352	2,787	11,150
Deferred Revenue-Dedicated Lands	-	385	2,950	-	-	3,335
Fleet Replacement Reserve	60	60	-	-	-	120
General Fund Reserve	319	-	-	-	-	319
Land Development Reserve	6,710	500	500	500	-	8,210
Urban Highway Connector Program	6,375	-	-	-	-	6,375
Service Agreement Fees (Parks)	332	806	3,396	532	435	5,501
Service Agreement Fees (Roads)	8,398	2,682	9,954	6,007	5,565	32,606
Developer Contributions	1,500	450	3,120	-	-	5,070
Available Funding	25,525	6,407	22,576	9,391	8,787	72,686
Funding Shortfall	-	2,828	5,644	5,759	7,168	21,399

The following chart shows the identified capital requirements for the Division over the next five years, and reflects the current funding sources as well as the funding gap.



Land Development

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Ross Industrial Land Development						
Ross Industrial Land Development	6,310	-	-	-	-	6,310
North Argyle Land Development						
North Argyle Land Development	400	500	500	500	-	1,900
Total	6,710	500	500	500	-	8,210
Funding Sources						
Land Development Reserve	6,710	500	500	500	-	8,210
Available Funding	6,710	500	500	500	-	8,210
Funding Shortfall	-	-	-	-	-	-

The City undertakes land development as required to ensure a supply of land is available such as industrial land.

Whenever the City undertakes land development the City pays all associated costs of the development such as servicing fees, development fees, and costs for infrastructure, surveying and design costs.

Funding for land development is from the Land Development Reserve which was created in 2010 as a dedicated funding source for the acquisition and land development project costs where the city is the developer. It is anticipated that over time real estate revenues will provide returns beyond what is required for the Land Development Reserve Fund. In the short term, funds in the reserve are required for the up front costs of land development that will generate long term income streams.

Current Year Programs

Ross Industrial Land Development

Demand for industrial land has been strong. Construction of the next phase of Ross Industrial Park is currently underway. This phase will create approximately 47 acres of saleable industrial lots. The construction will be completed and the land will be available to market in 2013.

North Argyle Land Development

The project will maximize the value of existing land and ensure the land is available to enable growth. The project will fulfill the expected demand for land in this area with development phased over a few years. The funds will support servicing of the land to accommodate residential and commercial demand.

Official Community Plan

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Development of the Official Community Plan						
OCP Study	350	450	-	-	-	800
Program Total	350	450	-	-	-	800
Funding Sources						
Current Contributions	286	129	-	-	-	415
Service Agreement Fees (Parks)	32	41	-	-	-	73
Service Agreement Fees (Roads)	32	41	-	-	-	73
Available Funding	350	211	-	-	-	561
Funding Shortfall	-	239	-	-	-	239

Current Year Programs

OCP Study

As a result of provincially-legislation requirements (Planning and Development Act, 2007), review and revision of Part A of the Regina Development Plan, Bylaw No. 7877 into a new Official Community Plan (OCP) was identified in the Corporate Strategic Plan as a Key Area of Focus for the City for 2008-2012. This OCP will respond to current circumstances and trends and address future growth needs based on sustainability: environment/ecology, economics, culture and the social aspects of the community. This will be accomplished through the development of a comprehensive growth strategy and policy framework to tie together serviceability, community input and best practices that will determine principles and sequencing for future growth and change in the city. The non-utility component of this project is funded from Current Contributions (75%) and from Roads and Related Servicing Agreement Fees, and Parks and Recreational Facilities Servicing Agreement Fees (25%).

City Centre Development

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
City Centre Development						
City Square Fountain	-	300	-	-	-	300
Downtown Streetscape Standards	-	50	-	-	-	50
Downtown Transportation Study Phase III	-	150	-	-	-	150
Downtown Transportation Study Implementation	150	150	-	-	-	300
Total Expenditures	150	650	-	-	-	800
Funding Sources						
Current Contributions	150	228	-	-	-	378
Available Funding	150	228	-	-	-	378
Funding Shortfall	-	422	-	-	-	422

Current Year Programs

Downtown Transportation Study Implementation

Phases One and Two of the Downtown Transportation Study will be completed in the spring of 2013. Some improvements to parking, pedestrian/cyclist accommodation, transit management and roads have been identified already with additional improvements expected to be recommended in early 2013. The 2013 funding would see the implementation of the recommendations from Phases One and Two which would include, but not limited to, the addition of way finding signage, improvements to transit facilities and improvements to traffic control devices in the downtown core between Victoria Avenue, Saskatchewan Drive, Broad Street and Albert Street.

Future Years Planned Programs

City Square Fountain

This project involves the installation of the state of the art fountain components purchased but not installed as part of the City Square plaza development.

Downtown Streetscape Standards

Consulting services will be purchased to provide downtown streetscape standards and drawings per the Regina Downtown Neighbourhood Plan.

Downtown Transportation Study Phase III

The project includes Phase Three of the Downtown Transportation Study which will provide a comprehensive review of traffic operations, traffic controls, transit needs, one-way conversions, asset conditions, and bike and pedestrian planning for all streets between Broad Street, Albert Street 13th Avenue and College Avenue.

Roadway Network Improvements

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Roadway Network Improvements						
Arcola Avenue Functional Study (College Avenue to Prince of Wales Drive)	-	-	-	300	-	300
Argyle St. North (Sangster Boulevard to Pipeline)	-	-	2,200	-	-	2,200
Argyle St. North (South of Pipeline to Rochdale)	-	-	2,200	-	-	2,200
Chuka Blvd (Green Apple Drive to Primrose Drive)	-	750	-	-	-	750
Chuka Blvd (Arcola Avenue to Green Apple Drive)	5,700	-	-	-	-	5,700
Chuka Blvd (Primrose Drive to Arens Road)	-	-	3,000	-	-	3,000
Diefenbaker Drive (McCarthy Boulevard to Skyview)	-	1,500	-	-	-	1,500
Lewan Dr. and Dewdney Ave. Intersection	-	-	-	275	2,750	3,025
Parliament Ave. Extension (Harbour Landing Dr. to James Hill Rd.)	2,800	-	-	-	-	2,800
Pasqua St. and Ring Rd. Intersection Improvements	-	500	4,000	-	5,500	10,000
Pasqua St. Corridor Improvements (Ring Rd. to North of Rochdale Blvd.)	-	350	3,500	-	-	3,850
Prince of Wales Drive (Eastgate Drive to Dewdney)	-	-	-	-	200	200
Ring Rd. Widening (Albert St. to McDonald St.)	-	100	500	5,000	-	5,600
Roadways Completion Program	25	25	25	25	25	125
Rochdale Blvd. Extension (existing to Argyle St.)	-	-	-	1,200	-	1,200
Ross Avenue Ramp Extensions (Ross Avenue to Dewdney Avenue)	-	-	-	-	2,500	2,500
Victoria Avenue East (Fleet St. to City Limits)	8,500	-	-	-	-	8,500
Wascana Pkwy. And Hwy 1 Interchange	-	-	300	-	3,000	3,300
Total	17,025	3,225	15,725	6,800	13,975	56,750
Funding Sources						
Current Contributions	165	82	848	259	2,355	3,709
Developer Contributions	1,500	450	3,120	-	-	5,070
General Fund Reserve	319	-	-	-	-	319
Servicing Agreement Fees (Parks)	300	-	-	-	-	300
Servicing Agreement Fees (Roads)	8,366	2,541	9,954	5,907	5,565	32,333
Urban Highway Connector Provincial	6,375	-	-	-	-	6,375
Available Funding	17,025	3,073	13,922	6,166	7,920	48,106
Funding Shortfall	-	152	1,803	634	6,055	8,644

Roadway Network Improvements consist of new road construction for locations approved as part of the Regina Road Network Plan and include brand new roadways typically adjacent to new development areas and roadways widening projects in existing built areas of the city. Arterial roadways are typically funded through a cost share by the City, Servicing Agreement Fees and Developers, in accordance with the Administration of Servicing Agreement Fees and Development Levies Policy. Developers fund construction of new local and collector streets. The City road network grows by approximately four to six kilometres per year.

Current Year Programs

Chuka Boulevard (Arcola Avenue to Green Apple Drive)

This project includes the design and construction of Chuka Boulevard from Arcola Avenue to 400m north of Green Apple Drive, including upgrades to the Chuka Boulevard and Arcola Avenue intersection, facilitating development in the Greens on Gardiner subdivision and further north. The project may include roadway design and construction and landscaping. Funding for this road component of the project is provided through 60% Developer Contributions, 2% Current Contributions to Capital, 38% Roads and

Related Servicing Agreement Fees; and an equivalent ratio for the landscaping component of the project from the Parks and Recreational Facilities Servicing Agreement Fees.

Parliament Avenue Extension (Harbour Landing Drive to James Hill Road)

This project includes the detailed design and construction of the extension of Parliament Avenue from Harbour Landing Drive to James Hill Road. It may include road construction, relocation of utilities, landscaping and construction of pathways. The road construction is essential to facilitate development in Harbour Landing. Funding for this project is provided through 2% Current Contributions to Capital, 38% Roads and Related Servicing Agreement Fees and 60% Developer Contributions; and an equivalent ratio for the landscaping component of the project from the Parks and Recreational Facilities Servicing Agreement Fees.

Roadways Completion Program

This is an ongoing program to provide signs, permanent pavement markings, pedestrian crossings and similar low cost transportation related infrastructure along roadways and bikeways that were constructed within the last five years. The infrastructure to be provided as part of this fund consists of infrastructure that was missed during the initial design phase but is currently warranted or required. Funding is provided through 5% Current Contributions to capital and 95% Roads and Related Servicing Agreement Fees.

Victoria Avenue East (Fleet Street to City Limits)

This project is the construction of upgrades to Victoria Avenue East. The project includes additional lanes along Victoria Avenue between Fleet Street and the City limits. It also includes realignment of Eastgate Drive, bridge upgrades, intersection upgrades and completes the missing portion of the pedestrian pathway along Pilot Butte Creek. The capacity improvements provide a long term solution to manage traffic increases associated with development in east Regina and bedroom communities. The bridge construction will replace aging infrastructure that is approaching the end of its useful life. The pathway will complete a missing portion of the TransCanada Trail. Funding is provided through 3.75% Current Contributions to Capital and 21.25% Roads and Related Servicing Agreement Fees and 75% from Provincial Funding (exact splits subject to negotiation but City's contributions will not exceed 3.75%).

Future Years Planned Programs

Argyle Street North (Sangster Boulevard to Pipeline)

This project includes the detailed design and construction of Argyle Street North from Sangster Boulevard to halfway across the Pipeline Right-of-Way. It may include road construction, relocation of utilities, landscaping and construction of pathways. The road construction is essential to facilitate development to the north of Argyle Park. Funding for this project is provided through 2.5% Current Contributions to Capital, 47.5% Roads and Related Servicing Agreement Fees and 50% from Developer Contributions; and an equivalent ratio for the landscaping component of the project from the Parks and Recreational Facilities Servicing Agreement Fees.

Argyle Street North (South of Pipeline to Rochdale Boulevard)

This project includes the detailed design and construction of Argyle Street North from halfway across the Pipeline Right-of-Way to Rochdale Boulevard. It may include road construction, relocation of utilities, landscaping and construction of pathways. The road construction is essential to facilitate development to the north of Argyle Park. Funding for this project is provided through 2% Current Contributions to Capital, 38% Roads and Related Servicing Agreement Fees and 60% from Developer Contributions; and an equivalent ratio for the landscaping component of the project from the Parks and Recreational Facilities Servicing Agreement Fees.

Chuka Boulevard (Green Apple Drive to Primrose Drive)

This project includes the design and construction of Chuka Boulevard from 400m north of Green Apple Drive to Primrose Drive facilitating development in the Greens on Gardiner subdivision and further north. The project may include roadway design, construction and landscaping. Funding for this project is provided through 60% Developer Contributions, 2% Current Contributions to Capital, 38% Roads and

Related Servicing Agreement Fees; and an equivalent ratio for the landscaping component of the project from the Parks and Recreational Facilities Servicing Agreement Fees.

Chuka Boulevard (Primrose Drive to Arens Road)

This project includes the design and construction of Chuka Boulevard from Primrose Drive to Arens Road to facilitate The Towns development. This project may include roadway design, construction and landscaping. Funding for this project is provided through 2% Current Contributions, 38% Roads and Related Servicing Agreement Fees and 60% Developer Contributions; and an equivalent ratio for the landscaping component of the project from the Parks and Recreational Facilities Servicing Agreement Fees.

Diefenbaker Drive (McCarthy Boulevard to Skyview access)

This project includes the detailed design and construction of Diefenbaker Drive from McCarthy Boulevard to the east Skyview subdivision access at the future Baizer Road. It will include road construction and landscaping. The road construction will help meet long term transportation needs in northwest Regina by providing a second access into the Skyview subdivision. Funding for this project is provided through 5% Current Contributions to Capital and 95% Roads and Related Servicing Agreement Fees; and an equivalent ratio for the landscaping component of the project from the Parks and Recreational Facilities Servicing Agreement Fees.

Lewvan Drive and Dewdney Avenue Intersection Modifications

This project includes the detailed design and construction of capacity improvements at the Lewvan Drive and Dewdney Avenue intersection. It may include addition of turn lanes, relocation of utilities and detours during construction. The improvements will help improve capacity and meet long term traffic growth associated with development in northwest Regina. Funding for this project is provided through 59.5% Current Contributions to Capital and 40.5% Roads and Related Servicing Agreement Fees

Pasqua Street and Ring Road Intersection Improvements

This project includes the detailed design and construction of intersection improvements at the Pasqua Street and Ring Road. This project may include construction of a new intersection, relocation of utilities, construction of an interim intersection and detours. The capacity improvements will provide a permanent solution to meet long term traffic growth associated with development in northwest Regina. Funding for this project is provided through 15% Current Contributions to Capital and 85% Roads and Related Servicing Agreement Fees.

Pasqua Street Corridor Improvements (Ring Road to North of Rochdale Boulevard)

This project includes the detailed design and construction of capacity improvements along the Pasqua Street Corridor from Ring Road to north of Rochdale Boulevard. It may include addition of vehicle lanes along or intersecting the corridor and construction of future road works at the intersection of Pasqua Street and Ring Road. The capacity improvements will provide an interim solution to manage increases in traffic associated with development in northwest Regina. Funding for this project is provided through 82% Current Contributions to Capital and 18% Roads and Related Servicing Agreement Fees.

Prince of Wales Drive (Eastgate Drive to Dewdney Avenue)

This project includes the detailed design and construction of the east half of the existing Prince of Wales Drive. It may include addition of vehicle lanes, relocation of utilities and landscaping. The addition of these lanes will serve to meet increased traffic demands resulting from development in east Regina. Funding for this project is provided through 5% Current Contributions to Capital and 95% Roads and Related Servicing Agreement Fees; and an equivalent ratio for the landscaping component of the project from the Parks and Recreational Facilities Servicing Agreement Fees.

Ring Road Widening (Albert Street to McDonald Street)

This project includes an initial study, detailed design and construction of a third eastbound lane along the Ring Road which is anticipated to be operating at or near its maximum capacity in the coming years. It may include addition of vehicle lanes, widening and lengthening of ramps, relocation of railway crossing lights, signs and utilities and reconstruction of bridge embankments. The capacity improvements will

provide a long-term solution to manage increases in traffic associated with development in Ross Industrial Park as well as northwest Regina. Funding for this project is provided through 85% Roads and Related Servicing Agreement Fees and 15% Current Contributions to Capital

Rochdale Boulevard Extension (Existing to Argyle Street)

This project includes the detailed design and construction of the extension of Rochdale Boulevard to Argyle Street. It may include road construction, relocation of utilities, landscaping and construction of pathways. The road construction is essential to facilitate the Hawkstone development to the north of Argyle Park. Funding for this project is provided through 2% Current Contributions to Capital, 38% Roads and Related Servicing Agreement Fees and 60% from Developer Contributions; and an equivalent ratio for the landscaping component of the project from the Parks and Recreational Facilities Servicing Agreement Fees.

Ross Avenue Ramp Extensions (Ross Avenue to Dewdney Avenue)

This project includes the detailed design and construction of the Ross Avenue Ramp extensions / third lane from Ross Avenue to Dewdney Avenue. The Ring Road corridor is experiencing significant delays and operational concerns related to traffic bound to and from the Ross Industrial Park. This project may include construction of ramps, relocation of utilities and installation of traffic control signals. The capacity improvements will help provide a permanent solution to meet long term traffic growth associated with expansion in the northeast Regina Industrial Lands. Funding for this project is provided by 82% from Current Contributions to Capital and 18% from Roads and Related Servicing Agreement Fees.

Wascana Parkway and Highway 1 Interchange

This project includes the detailed design and construction of interchange loops at the Wascana Parkway and Highway No.1 By-Pass interchange which experiences significant queuing and operational concerns related to traffic bound to the University of Regina and SIAST. It may include construction of ramps, relocation of utilities and changes to the traffic control signals. The capacity improvements will provide a permanent solution to meet long term traffic growth associated with expansion at the University of Regina, SIAST and southeast Regina. Funding for this project is provided through 82% Current Contributions to Capital and 18% Roads and Related Servicing Agreement Fees.

Other Transportation Projects

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Other Transportation Projects CP&D						
Parking Enforcement Radios	30	-	-	-	-	30
Additional Parking Enforcement Vehicles	65	-	-	-	-	65
Balfour Walkway	-	280	-	-	-	280
Missing Sidewalks Construction Program	-	150	150	150	150	600
Sustainable Infrastructure - Transportation and Road Right of Way Studies and Pilot	-	100	-	100	-	200
Total Expenditures	95	530	150	250	150	1,175
Funding Sources						
Current Contributions	95	151	48	44	42	380
Service Agreement Fees (Roads)	-	100	-	100	-	200
Available Funding	95	251	48	144	42	580
Funding Shortfall	-	279	102	106	108	595

Current Year Programs

Parking Enforcement Radios

To accommodate the increase in the number of commissionaires, additional radios are required. These radios are used for the field officers to communicate to the main office and in emergency situations.

Additional Parking Enforcement Vehicles

The City assumed responsibility for parking enforcement in January 2012. An additional three vehicles are required to provide parking enforcement services to suburban areas of the City and other high use areas such as the hospitals, neighbourhoods adjacent to the university and inner city neighbourhood with two hour non-metered parking zones.

Future Years Planned Programs

Balfour Walkway

The purpose of this project is to develop a nine metre wide walkway connection adjacent to Balfour Collegiate between College Avenue and Broadway Avenue. As part of the Core Neighbourhood Sustainability Action Plan (2008) significant public engagement was undertaken and it was determined that a north-south pedestrian linkage to the grocery store on Broadway Avenue ranked as one of the neighbourhood's highest priorities.

Missing Sidewalks Construction Program

This project provides for the construction of sidewalks and pathways along roads where either no sidewalks exists or is present only on one side of the road and require an upgrade to both sides. Construction of additional sidewalk would be evaluated and implemented based on pedestrian safety, public transit and budget. Funding is provided through Current Contributions to Capital.

Sustainable Infrastructure – Transportation and Road Right of Way Studies and Pilot Projects

This project encompasses pilot projects and studies pertaining to pedestrian, cycling, transit and vehicle infrastructure. Projects and studies will be used to determine the future viability of new or innovative sustainable solutions to the City of Regina which may be ultimately incorporated into future development policy, guidelines and specifications. Studies or pilot projects will be focused within new growth areas and will either be independent from or augment new infrastructure construction. Funding for this project is provided through 100% from Roads and Related Servicing Agreement Fees.

Recreation Facilities

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Recreation Facilities and Equipment						
CPTED Improvements	25	-	25	-	-	50
Outdoor Play Amenity Upgrades	100	150	150	150	150	700
Recreation Equipment and Furnishings	200	200	200	200	-	800
Recreation Facility Plan						
Athletic Fields/Sport Facilities Restoration, Repair and Upgrades	185	250	250	250	-	935
Multi-Use Pathway	-	400	580	580	580	2,140
Recreation Facility Plan - Regent Par 3 Redevelopment	-	-	210	1,890	-	2,100
North Central Shared Facility						
North Central Shared Facility	-	1,000	3,430	3,430	-	7,860
Total Expenditures	510	2,000	4,845	6,500	730	14,585
Funding Sources						
Current Contributions	510	567	1,408	1,731	83	4,299
Service Agreement Fees (Parks)	-	380	446	532	435	1,793
Available Funding	510	947	1,854	2,263	518	6,092
Funding Shortfall	-	1,053	2,991	4,237	212	8,493

Current Year Programs

CPTED Improvements

The Crime Prevention through Environmental Design (CPTED) program involves evaluation of sites in response to safety concerns of stakeholders or the general public. Funds from this program provide for modification and renovation of existing facilities which can accommodate program opportunities and address safety issues.

Outdoor Play Amenity Upgrades

The City's playground development program replaces existing structures that are in need of replacement, but still fulfill a need in the neighbourhood. The goal is to provide a structure within a reasonable distance (typically 800 metres) from the average household, with accessible components where possible and one fully accessible structure in each of the City's zones (north, west, central, south and east).

Currently, 44 of the City's 154 play structures are in need of replacement. Of the 44, 12 need to be replaced because they are wooden structures that no longer meet current Canadian Standards Association (CSA) Standards, 16 need to be replaced because parts are no longer available and 16 need to be replaced because they are metal structures with wood components in very poor condition. Over the next five years, the City will prioritize the 44 playgrounds that are in poor condition and through a community engagement process will continue to replace existing structures, remove structures that are no longer required in a specific location and add accessible components to the program where possible. In 2012, funds from this program were used to replace structures in Lakeridge Park and Parkridge Park as well as to remove the Rossie Fitness Centre in Parkridge Park.

Recreation Equipment and Furnishings

The City of Regina operates a number of arts, culture, recreation and sport facilities. Funds from this program budget are used for the replacement, revitalization and sustainability of recreation equipment and furnishings. A life cycle replacement plan has been developed to guide purchases and ensure customers have access to safe reliable equipment that satisfies program needs and customer expectations.

Athletic Fields /Sport Facilities Restoration, Repair and Upgrades

The City of Regina operates schedules and maintains athletic fields and sport facilities including 94 sport fields, 179 ball diamonds, and the Canada Games Athletic Complex. Funding is required each year to ensure that the playing fields and facilities are maintained in accordance with current operating standards and to ensure that participants and spectators have access to quality facilities. In 2013 the funding is required to complete improvements to Rambler Park, Mount Pleasant Park, and parking lot upgrades.

Future Years Planned Programs

Multi-Use Pathway

Research conducted as background for the Recreation Facility Plan confirmed that pathway development is rated by Regina residents as the highest priority for recreation infrastructure. The current multi-use pathway system located on City owned land and in Wascana Centre includes 30 kilometres of paved pathway. Funds in 2012 were used to construct the North West Link Pathway from Ritter Avenue to Sherwood Drive. This pathway will connect residents in the northwest area of the city to the multi-use pathway system for recreational and commuting purposes. Pathway development for 2014 and beyond will be guided by the Transportation Master Plan, which is being developed as part of the Official Community Plan. Funding for this program is provided through 5% Current Contributions to Capital and 95% Parks and Recreational Facilities Servicing Agreement Fees.

Recreation Facility Plan – Regent Par 3 Redevelopment

The Coronation Park Neighbourhood is in a state of change and revitalization. In 2013 two lit basketball courts will be constructed to improve on the Regent Pool site as a neighbourhood hub. In 2015, funds will be used to complete a community visioning process and detailed design to provide new recreation facilities at the Regent Par-3 site with construction planned for 2016.

North Central Shared Facility

This unique facility will showcase a new service concept that will utilize an integrated approach to provide a variety of community based cultural, social, educational, recreational and health services in one facility. This project represents a collaborative partnership with the Ministry of Education, Regina Public Schools, the Regina Public Library, the Regina Qu'Appelle Health Region, community organizations, service providers, and the community. This new integrated services approach will have a significant and positive impact on the North Central neighbourhood and the entire city. The funding being requested from 2013 to 2015 will provide the City's contribution to finish the detailed design and allow for construction of the North Central Shared Facility. Construction will begin in the fall of 2013 and the facility is expected to open in 2015.

Community Facilities

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Community Facilities						
South East Zone Park	-	770	5,900	-	-	6,670
Total	-	770	5,900	-	-	6,670
Funding Sources						
Dedicated Lands Reserve	-	385	2,950	-	-	3,335
Service Agreement Fees (Parks)	-	385	2,950	-	-	3,335
Available Funding	-	770	5,900	-	-	6,670
Funding Shortfall	-	-	-	-	-	-

Future Years Planned Programs

South East Zone Park

A new zone level park space will be created within the Towns Development to service the south east area of the city. Funding for this project is provided through 50% Current Contributions to Capital and 50% Parks and Recreational Facilities Servicing Agreement Fees.

Open Space Restoration

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Irrigation System Improvements						
Irrigation System Restoration	200	400	400	400	400	1,800
Restoration:						
City Square Plaza Restoration	30	30	30	30	30	150
Multi-use Pathway Asphalt Recapping	195	195	195	195	195	975
Parks and Open Space Restoration	200	400	450	450	450	1,950
Water Features Restoration	-	25	25	25	25	100
Total	625	1,050	1,100	1,100	1,100	4,975
Funding Source						
Current Contributions	625	367	352	319	308	1,971
Available Funding	625	367	352	319	308	1,971
Funding Shortfall	-	683	748	781	792	3,004

The City manages a diverse open space system with various levels of development and use. The open space ranges from high quality, high use parcels such as Kiwanis Park and Victoria Park to minimally developed open space such as utility parcels, pipeline rights-of-way, and storm channel fringes.

Current Year Program

Irrigation System Restoration

Funding is directed at restoring and replacing deteriorated irrigation system components to ensure effective operation in the City's parks and open space. This typically includes vandalism repairs, lifecycle replacement of quick coupler valves, sprinklers, automated valves, valve boxes, water lines, water service boxes including backflow devices, pump stations, computer system software and hardware, and the decommissioning and abandonment of water service boxes.

City Square Plaza Restoration

This funding is used to restore or replace deteriorated, vandalized or damaged elements within the City Square Plaza. Funding is used to repair or replace the paving stone surface, plaza furniture and other components within the Plaza.

Multi-use Pathway Asphalt Recapping

Residents and visitors enjoy 30 kilometres of multi-use pathway throughout Regina. Some sections of the pathway are in need of immediate recapping, with the remainder needing to be recapped over the next few years to keep them in usable and safe condition. This program started in 2010, as a project phased over 10 years. Recapping includes cleaning and applying tack oil to the area to be recapped and supplying and installing 50 mm of hot mix asphalt. The cost is \$65,100 per kilometre for a three metre wide path.

Parks and Open Space Restoration

This funding is used to restore or replace deteriorated open space amenities to a safe and useable condition. Funding is used for activities such as major turf repair, furniture and fixture replacement, hard-surface pathway repairs, tree and shrub bed replacement, drainage improvements, and upgrades to the protective surfacing zones beneath play structures.

Future Years Planned Programs

Restoration

Water Features Restoration

Water features, comprised of waterfalls and fountains at Wascana View Park, Kiwanis Waterfall Park, Lakewood Park, Rochdale Park and Queen Elizabeth II Courtyard, have reached their maturation point and do not operate as originally designed. Recommendations from a condition assessment on each of the water features will provide direction for repair, replacement or decommissioning. These recommendations will be phased in over five years.

Open Space Upgrades & New Development

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Upgrades & New Development						
Parks Turf Mowers - 11' (2 Units)	60	60	-	-	-	120
Total	60	60	-	-	-	120
Funding Source						
Fleet Replacement Reserve	60	60	-	-	-	120
Available Funding	60	60	-	-	-	120
Funding Shortfall	-	-	-	-	-	-

Current Year Program

Parks Turf Mower

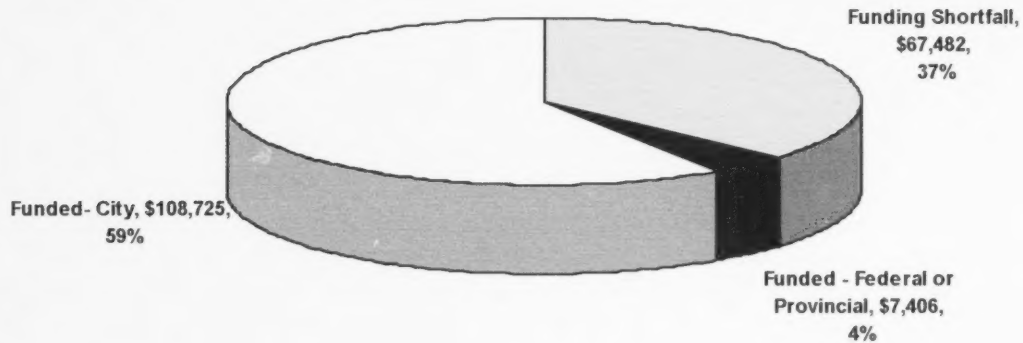
This funding will be used to purchase one 11" fine turf mower for mowing parks turf. As the total area of open space increases, additional equipment is required to meet current service level standards. The last acquisition of a wide area mower was in 2003. Since then, Parks has assumed responsibility for 111 additional hectares of open space.

Corporate Services Division

Capital Program Summary

Capital Expenditures (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Fleet	11,324	11,469	10,599	9,444	9,037	51,873
Facilities	8,290	30,282	24,070	29,392	29,755	121,789
Information Technology	3,454	3,011	2,586	450	450	9,951
Total	23,068	44,762	37,255	39,286	39,242	183,613
Funding Sources (\$000's)						
Asset Revitalization Reserve	582	-	-	-	-	582
Cemetery Reserve	-	10	10	10	10	40
Current Contributions	7,968	7,497	5,454	8,351	8,595	37,865
Employer Parking Reserve	350	200	225	200	250	1,225
Fleet Replacement Reserve	7,856	7,806	10,599	9,444	9,037	44,742
Gas Tax (GT)	3,743	3,663	-	-	-	7,406
Golf Course Reserve	200	200	225	225	225	1,075
Landfill Reserve	1,150	10,000	7,900	-	-	19,050
Other - Facilities Fee	600	-	-	-	-	600
Other External	250	250	250	250	250	1,250
Servicing Agreement Fees (Parks)	144	1,548	379	-	-	2,071
Technology Reserve	225	-	-	-	-	225
Available Funding	23,068	31,174	25,042	18,480	18,367	116,131
Funding Shortfall	-	13,588	12,213	20,806	20,875	67,482

The following chart shows the identified capital requirements for the Division over the next five years, and reflects the current funding sources as well as the funding gap.



Fleet Services

The Fleet Services Department of the Corporate Services Division manages all City vehicles and equipment, including those used by the Transit and Fire Departments but excluding those used by the Regina Police Service. The Fleet Services Department also manages and operates the Small Tools and Equipment program, which includes powered hand tools such as string trimmers, chainsaws, walk behind mowers, pumps, etc.

Capital Summary (\$000's)		2013	2014	2015	2016	2017	Five Year Total
Corporate Services							
Civic Fleet Replacement		5,839	5,504	5,589	5,114	4,707	26,753
Fire Fleet Replacement		900	1,580	1,000	850	850	5,180
Fleet Training Truck		145	-	-	-	-	145
Transit Fleet Replacement		4,440	4,385	4,010	3,480	3,480	19,795
Total		11,324	11,469	10,599	9,444	9,037	51,873
Funding Sources							
Fleet Reserve		7,581	7,806	10,599	9,444	9,037	44,467
Gas Tax (GT)		3,743	3,663	-	-	-	7,406
Available Funding		11,324	11,469	10,599	9,444	9,037	51,873
Funding Shortfall		-	-	-	-	-	-

Current Year Programs

Capital Projects

Each year, fleet vehicle and equipment assets that have reached or exceeded their planned economic life must be replaced to maintain an acceptable fleet age, reliability, and maintenance costs. In 2013, a total of 95 fleet vehicles and mobile equipment units are planned to be replaced. Included are 77 Civic fleet units, 14 Transit fleet units (eight Transit buses and six Paratransit buses), and four Fire fleet units (one rescue truck and three support vehicles). The budgeted replacement cost is \$11,324,000. Replacement of these units will preserve an acceptable average fleet age and maintain acceptable vehicle availability, safety, reliability, productivity, and maintenance costs.

Planned Acquisitions and Disposals

(Does not include additions to the fleet that may be proposed by client departments)

		Planned Annual Turnover				
	Number of Units	2013	2014	2015	2016	2017
Light Trucks	381	33	17	8	17	24
Turf & Light Equipment	248	22	24	23	27	46
Heavy Trucks	113	5	5	10	-	1
Heavy Equipment	141	11	9	24	23	12
Trailers	136	9	16	9	3	6
Transit Buses	107	8	8	7	6	6
Paratransit Buses	31	6	6	6	6	7
Fire Apparatus & Emergency Response	35	1	1	1	1	1
Total Fleet	1,192	95	86	88	83	103

Fleet Replacement Planning

Vehicle replacement provides the opportunity to evaluate the composition and size of the fleet. It is important to take a broad view and use the opportunity to adjust the fleet so that it supports the client department's long-term operational plans. The fleet must be constantly adjusted to ensure that it can produce the quantity and quality of work needed to achieve client departments' operational goals. Adjustments to the fleet made possible by replacing identified units must be made in a rational way with the objective of maximizing the utilization of the core fleet and using short-term rentals or other arrangements to accommodate peak demands.

Fleet replacement decisions should be integrated with business planning. Business planning drives the operational aspects of fleet requirements. The client department makes its best estimates of the work that it will be performing and evaluates equipment needs based on those estimates. Integrating equipment replacements with client department business plans provides for systematic decisions that recognize financial constraints, maximize fleet utilization, and minimize fleet costs. Good replacement decisions also consider the operational, mechanical, and financial aspects of continued ownership of the existing vehicle as well as all alternatives.

There are three fundamental reasons why the fleet needs to be constantly renewed.

- Regular and adequate capital investments must be made to replace the fleet life used up in any given period. If not done, the result will be a downward spiral of increasing age, increasing cost, and decreasing reliability. Systematic, orderly, and ongoing replacement will ensure that the fleet retains its value as a productive asset that supports all client departments' operations.
- The average age of the fleet must be managed with care. Young fleets and old fleets exhibit different cost patterns, and it is easy to assume that the maintenance cost reductions for a young fleet are sustainable when in reality they are nothing more than provisions for the higher operating costs that come with the later years of the vehicle's economic life. An old fleet will present the opposite – it is difficult to maintain control when irregular replacement causes fleet average age to swing from young to old.
- Fleet performance is all about reliability, availability, productivity, and predictable costs. Every vehicle experiences deterioration and obsolescence. In the end, while competent policies for maintenance, repair and rebuild extend life, replacement is the only way to revitalize the fleet and maintain productive capacity.

Each year, the Fleet Services Department prepares a fleet replacement plan for the upcoming budget year using a collaborative process with client departments. The needs of client departments must be clearly understood, and Fleet Services' responsibility is to identify equipment and technology that can cost-effectively perform the tasks required. Ongoing replacement or renewal of fleet assets is required to ensure the fleet is reliable, suitable, cost effective, and available when needed.

Replacement Criteria

Equipment replacement analysis involves determining the optimum economic life or "replacement cycle" for each type of equipment. This identifies the period in the life of the equipment where the equivalent annual cost is lowest. It is also recognized that individual vehicles can have unique lifecycles, depending on usage and operating environments.

The methodology for developing replacement criteria includes consideration of the following factors:

- **Service Life** – The length of time that the unit is capable of delivering its designed level of service. Deterioration is the degree to which the performance of the existing vehicle has declined in terms of reliability, uptime, and reparability.

- **Technological Life** – The decline in productivity of a unit compared with a new design in so far as productivity, quality of work performed, simplicity of operation, fuel efficiency, safety, and environmental compliance are concerned. Some factors, such as current workloads, deteriorating reliability, and increasing operating costs can be quantified. Others, such as future workloads, the benefits of the latest technologies, and improved productivity can only be estimated.
- **Economical Life** – The length of time the average annual cost of a unit declines or remains at a minimum. The financial aspects of the purchase decision, the future owning and operating costs of the existing vehicle, and the expected minimum lifecycle owning and operating costs of the replacement unit are all important. They must not, however, drive the decision and produce results that make no sense from an operational or mechanical point of view. It makes little sense to hold onto a vehicle for which there is little or no work simply because a substantial amount may have been spent recently on repairs.
- **Downtime Sensitivity** – The effect on program delivery when the equipment is not available for use. Analyzing the operational aspects of the decision to sell one piece of equipment and invest in another ensures that the decision is integrated in the best interests of the City as a whole.

Fleet Growth and Rationalization

Fleet requirements are somewhat dynamic and a process must be in place to manage changing needs. In 2010 a Fleet Governance Committee was established; the committee's mandate includes reviewing all proposed acquisitions of additional vehicles and equipment and making a recommendation on these proposals to the Budget Advisory Groups.

The following controls are used to manage the fleet size:

- Departments are required to prepare a business case when requesting additional vehicles or enhanced replacements. Approval is contingent on meeting all of the following criteria:
 - The additional vehicle/equipment is required as a result of a change in the service delivery strategy or quantity of work to be done;
 - There are no other suitable fleet units that could be re-deployed, and
 - Ownership is the best option to obtain the equipment.
- Fleet replacements – Approval for replacement of fleet vehicles and equipment is contingent on satisfactory utilization of the equipment being replaced. Where the utilization of the existing equipment does not meet the minimum utilization criteria, the replacement must be supported by a business case.

Fleet Distribution

Fleet Distribution		Fleet Size
Division		
<u>City Operations (881 units)</u>		
Fire & Protective Services		46
Open Space & Environment		257
Roadways & Traffic		285
Transit		141
Water & Sewer Services		153
<u>Community Planning & Development (190 units)</u>		
Community Development, Recreation & Parks		181
Construction & Compliance		9
<u>Corporate Services (120 units)</u>		
Facilities Management Services		58
Financial Services		5
Fleet Services		16
Motor Pool		39
Information Technology Services		2
Fleet Total		1,192

Note:

These figures include previously approved additions but do not include any new vehicles or equipment proposed to be added to the fleet.

Fleet Age

The success of achieving and maintaining the optimal fleet size is largely dependent on the ability to properly manage the age of the fleet. In the past, as the fleet aged and equipment reliability declined, some replaced vehicles were retained as spares to provide the required availability. The result was an old, large and under utilized fleet that was costly to maintain. An appropriate average fleet age requires fewer spare units, and consequently a smaller, better utilized and cost efficient fleet.

The ongoing challenge is to manage the age of the fleet in a planned and fiscally responsible manner. Replacements are prioritized based on highest cost benefit and urgent operating department needs. Each year, a replacement plan is produced that identifies replacements for the following year and projections for the next five and twenty years. This long-term planning is required to stabilize the capital requirements from year to year.

The following table shows the current and target age of the fleet.

Fleet Average Age (Years)

Equipment Type	Current	Target
Light Trucks	6.2	6.0 – 7.0
Heavy Trucks	8.1	7.0 – 8.0
Heavy Equipment	7.5	8.0 – 10.0
Turf & Light Industrial Equipment	5.4	5.0 – 7.0
Trailers	11.0	10.0 – 12.0
Transit Buses	9.9	8.5 – 9.5
Paratransit Buses	2.9	2.5 – 3.0
Fire Apparatus	8.6	9.5 – 10.5
Fire Rescue / Emergency Response	18.1	8.0 – 10.0

Transit and Fire Fleets

The City currently operates a fleet of 107 Transit buses and three support vehicles. In recent years, the majority of capital funding for Transit has been provided by the Federal Public Transit Trust Fund for Saskatchewan. This program ended in 2009 and since then municipal funding has been required to fund future transit capital investments. Capital investment in the fleet is required to ensure that transit service is not negatively impacted. Without funds to renew the fleet, a shortage of vehicles may occur and cause service disruptions.

The Paratransit fleet consists of 31 buses in 2012, with 26 buses scheduled for regular service and five buses available as spares. The City owns the Paratransit buses, while bus maintenance and operation are provided by a contractor. Paratransit requires six new vehicles per year as these buses have a five year life expectancy. This standard should be maintained throughout the five-year capital program in order to maintain service levels. The Province has not provided funding for Paratransit buses since 2006.

The Fire & Protective Services Department fleet includes twenty front-line apparatus vehicles, eighteen rescue/ emergency response vehicles some of which are equipped for special purposes such as water rescue, investigation or public education, and eight other support vehicles including vans, trucks and trailers.

The condition of the Fire and Transit fleets was recognized by the City Administration in 2009 and a consultant was engaged to conduct an in-depth cross-functional Strategic Review of Fleet Services Delivery. The conclusions and recommendations of this study were presented and approved by the Administration in early 2010. The major findings were that the management of the Fire and Transit fleets will be centralized under the General Civic fleet management team, a Fleet Replacement Reserve Fund would be established for Fire and Transit as a basis for replacement funding stability, and that a modernization plan would be developed to bring the fleet ages within accepted industry guidelines. In 2010, the responsibility for managing Transit and Fire fleet assets was transferred to the Fleet Services Department; in January 2012 the responsibility for maintenance of the Transit and Fire fleets was also transferred to the Fleet Services Department. Previously, the Civic, Transit, and Fire fleets were managed independently with no significant interaction or communication and each fleet developed its own policies, procedures and strategies.

A Five Year Funding Stabilization and Equipment Modernization Strategy has been developed to provide a sustainable on-going funding mechanism for Fire and Transit fleet stability as well as a short-term modernization plan to reduce the average fleet age to accepted industry standards. Completion of the strategy will enable management of Transit and Fire fleet assets to be fully aligned with the equipment life-cycle planning and replacement reserve fund management basis used successfully by the Civic fleet.

It is important to note that the larger fleet required for increased service levels or additional service provision has not been funded within this plan. The proposed strategy is based on the assumption of providing fleet assets to support current service delivery levels only. Any proposed increase in service delivery levels or additional service provision would necessitate additional Fire trucks and Transit buses and would therefore impact the up-front capital and on-going Fleet Replacement Reserve funding requirements. Any plans for increased service levels or additional service provision should include requests for sufficient funding to acquire the additional fleet assets, as well as an incremental increase to contributions to the reserve for their eventual replacement.

Alignment with Corporate Strategy

The 2013 Fleet Replacement Plan demonstrates alignment with the City of Regina Corporate Strategic Plan, including Council's vision of an attractive and sustainable community and the following strategic priorities:

- **Strengthen City Infrastructure and Manage Assets** – The 2013 Fleet Replacement Plan and 2013 – 2017 Fleet Capital Program demonstrates prudent lifecycle management of the City's investment in its fleet assets. The Transit fleet modernization strategy is consistent with the Transit Investment Plan which recognized that a more aggressive fleet replacement program will be necessary over the next few years.
- **Achieve Operational Excellence** – Client departments rely on Fleet Services to provide vehicles and equipment that are available, reliable, suitable, and cost effective. Operating departments are able to provide their services most effectively and efficiently when provided with reliable equipment that is properly matched to the work performed. Replacing the vehicles identified in the 2013 Replacement Plan will help Fleet Services meet customer expectations.
- **Ensure Organizational Capacity and Effectiveness** – The Fleet Capital Program contributes to a contemporary workplace. Many City of Regina employees spend the majority of their working time operating or riding in vehicles. Timely replacement of fleet vehicles provides a comfortable, safe, and modern work environment for use by employees in the performance of their duties. A well-managed and maintained fleet can help attract and retain talent and improve employee morale, satisfaction, and productivity. The Five Year Funding Stabilization and Equipment Modernization Strategy for the Transit and Fire fleets will maintain the City's ability to deliver key Fire protection and Transit services to the public.

Fleet Training Truck

The current Fleet Training truck has exceeded its economic life and is also no longer suitable for the training needed. It needs to be replaced with a truck similar to the trucks in the fleet that operators are being trained to operate.

Facilities Management Services

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Major Projects						
Corporate Services						
Asphalt Plant and Materials Yard Facility Redevelopment	-	-	-	300	4,000	4,300
City Hall - Elevator Modernization	990	-	-	-	-	990
Corporate Office Space for New Employees	75	75	75	75	75	375
Mosaic Stadium Preservation	250	250	250	250	250	1,250
Parks and Facilities Yard Facility Improvements	-	2,400	4,100	2,100	700	9,300
Community Planning & Development Services						
Douglas Park/Leibel Field Support Facility	-	2,600	405	-	-	3,005
Mount Pleasant Entrance Road Upgrade	-	250	-	-	-	250
NWLC - Retaining Walls & Exterior Revitalization	-	400	-	-	-	400
Parks Operational Facilities	-	40	400	-	-	440
Sportplex Central Kiosk Feasibility Plan	-	20	225	-	-	245
Tennis Court Redevelopment	275	623	205	-	-	1,103
Transit - Maintenance Garage Relocation	-	-	200	18,000	14,000	32,200
City Operations						
Fire Facilities - Pump Testing and Storage	-	70	780	-	-	850
Landfill Facility	1,150	10,000	7,900	-	-	19,050
Category Total	2,740	16,728	14,540	20,725	19,025	73,758
Asset Revitalization & Sustainability						
Cemeteries - Facility Revitalization	-	10	10	10	10	40
Employee Provided Parking Revital. (City Hall)	150	-	25	-	50	225
Employee Provided Parking Revital. (Non City Hall)	200	200	200	200	200	1,000
Facilities Asset Revitalization and Sustainability	4,100	7,019	7,230	7,447	7,670	33,466
Golf Courses - Facility Revitalization	200	200	225	225	225	1,075
Neil Balkwill Photo Lab Renovations	-	-	40	-	-	40
New Transit Shelters	-	25	25	25	25	100
Outdoor Pools Program	800	6,000	1,700	710	2,500	11,710
Roof Fall Arrest Program	100	100	75	50	50	375
Category Total	5,550	13,554	9,530	8,667	10,730	48,031
Program Total	8,290	30,282	24,070	29,392	29,755	121,789
Funding Sources						
Asset Revitalization Reserve	582	-	-	-	-	582
Cemetery Reserve	-	10	10	10	10	40
Current Contributions	5,014	6,533	4,627	8,220	8,469	32,863
Employer Parking Reserve	350	200	225	200	250	1,225
Golf Course Reserve	200	200	225	225	225	1,075
Landfill Reserve	1,150	10,000	7,900	-	-	19,050
Other - Facilities Fee	600	-	-	-	-	600
Other External	250	250	250	250	250	1,250
Service Agreement Fees (Parks)	144	1,548	379	-	-	2,071
Available Funding	8,290	18,741	13,616	8,905	9,204	58,756
Funding Shortfall	-	11,541	10,454	20,487	20,551	63,033

The Facilities Management Services Department is responsible for the space planning, construction project management, physical plant maintenance and the operation of the majority of City-owned facilities. The capital budget for Facilities consists of two general types of expenditures: those related to major capital projects and those related to the general capital maintenance and upgrade for facilities, referred to as Facility Revitalization and Sustainability expenditures.

Current Year Programs

Major Projects

City Hall – Elevator Modernization

This project includes an upgrade to the existing City Hall elevators with modernized electrical and mechanical components. The existing elevators are original to the building (1976) and have become less reliable and require frequent maintenance. One of the elevator cars also requires upgrades to improve freight transportation capabilities. Upgrades will provide improved elevator service and efficiency while reducing energy consumption through an improved elevator control and dispatch system. This project also includes elevator security enhancements to coincide with the City Hall Service and Security Project (Main Floor Renovations).

Corporate Office Space for New Employees

This funding is to support the creation, minor renovation and furnishing of office space to accommodate additional FTE's approved through the 2013 operating and capital budget process.

Mosaic Stadium Preservation

This program is required to keep the Mosaic Stadium facility in a reasonable state of repair such that programs can continue to effectively operate at the facility. The work includes all physical, structural, mechanical and electrical maintenance but does not include major enhancements or additions to the facility.

Community Planning and Development

Tennis Court Redevelopment

The condition of all outdoor tennis courts has been assessed and a plan has been developed to prioritize those courts that best serve the needs of the public. This funding will be used to ensure that tennis courts are maintained to the appropriate standard in order to ensure the safety of all users. Funding in 2013, 2014 and 2015 will be used for maintenance and construction at the City's four primary outdoor sites, as outlined in the Recreation Facility Plan.

City Operations

Landfill Facility

The Landfill Facility site and facility plan is a result of the collaborative design effort between the site stakeholders and the design team working on the Public Works Facilities Master Plan. The plan, when fully implemented, will provide a model of efficiency between the Landfill and Solid Waste Collection branches by sharing crew spaces and office support areas. The building will be designed so that all functions and pedestrian traffic, including truck parking, are indoors to make operations more efficient during severe weather conditions. The location of the building on the site provides a visual identity for customers as well as separating the public vehicle traffic from the Landfill and Solid Waste Collection trucks and equipment to mitigate traffic hazards. The facility has the capability for expansion to meet the future needs of Landfill and Solid Waste Collection. The facility also includes Fleet Training space to eliminate the need for a new Fleet Training facility next to the Landfill. Funding in 2013 is for design, with funding in 2014 and 2015 is for construction.

Asset Revitalization & Sustainability

Employee Provided Parking Revitalization (City Hall)

This funding is for general repairs and upgrades to the City Hall parkade to keep it in good condition over the long term. Funding is from the Employee Parking Reserve (City Hall).

Employee Provided Parking Revitalization (Non City Hall)

This funding is for general repairs and upgrades to the employee parking sites other than City Hall. Funding is from the Employee Parking Reserve (non-City Hall).

Facilities Asset Revitalization and Sustainability

This funding is allocated to key facilities for projects identified in FMS' capital planning program (VFA) and other condition assessments. Projects include structural, architectural, mechanical, electrical and code or safety requirements in order to maintain the integrity of the facility systems such that the City programs and operations can continue to effectively operate. The work does not include enhancements, replacement or additions to facilities. Examples of Facilities that revitalization and sustainability funding is focused on includes City Hall, Fire Stations, Outdoor Pools, Yard Garages, Recreation Centres, Community Centres as well as the SSLC, NWLC and the Sportplex.

Golf Courses - Facility Revitalization

Funding for this project will address high priority items identified in FMS' capital planning and condition assessment program (VFA). The Facilities in this category include the Tor Hill, Murray, Joanne Goulet and Lakeview Par 3 clubhouses and ancillary facilities. Funding is from the Golf Course Reserve.

Outdoor Pools Program

The City owns and operates five outdoor pools which have all operated well past their expected lifecycles. Two of the five pools are 50 years old and the remaining three are 65 years old. The pools require significant capital investments (\$16.5 million over the next five years) to bring them to a condition deemed to be acceptable in relation to facilities management standards.

In 2013, the focus of the \$800,000 budgeted expenditure will be two-fold, firstly to engage in public consultation related to maintaining community pools whereby the Administration will provide a report to Council in the second quarter of 2013 with the results of a community engagement process; and secondly, to provide funding for any design work that is required by Council's decision(s) as a result of the community engagement process.

Roof Fall Arrest Program

This project is an ongoing program to address Roof Fall Arrest deficiencies as identified in the 2011 Roof Fall Arrest study for all City facilities. This includes the implementation of the recommendations from the study based on the priorities identified. Projects include roof fall protection/prevention safety related systems and roof access systems and equipment in order to meet OH&S regulations.

Future Years Planned Programs**Major Projects****Asphalt Plant and Materials Yard Facility Redevelopment**

This funding is for the redevelopment of facilities and material storage in the Asphalt Plant and Materials Yard in accordance with the recommendations from the Public Works Facilities Master Plan. Funding in 2016 is for initial design work, followed by funding in 2017 for construction.

Parks and Facilities Yard Facility Improvements

This project includes funding required to complete the consolidation of Facilities Management Services with Parks & Open Space in the Parks Yard. The remaining projects in this master plan include: construction of a new trades shop, construction of a new cold storage facility, demolition of redundant facilities and the construction of a new access road and storage compound in the yard.

Community Planning and Development

Douglas Park/Leibel Field Support Facility

Douglas Park is home to Leibel Field, the Canada Games Athletic Complex, softball diamonds, a baseball diamond, lacrosse field, cricket pitch and cross country ski trails. Support facilities for these sport and recreation venues are at the end of their life expectancy and require replacement in order to meet community and user needs. In 2014 funds will be used to construct a new washroom and change room facility. The 2015 funding is for the demolition of the Douglas Park Washroom building and the expansion of the parking lot (including refurbishing the existing parking lot).

Mount Pleasant Entrance Road Upgrade

This project involves the paving of the existing gravel entrance road to Thunder Clubhouse and Kaplan Field. The work is to be coordinated with the new bulk water station.

NWLC - Retaining Walls & Exterior Revitalization

This project involves the rehabilitation of the retaining walls on the north side of the NWLC to ensure their structural integrity and eliminate the creosote coated timbers. In addition, landscaping berm work will be redeveloped as well as exterior facility foundation sheeting replacement.

Parks Operational Facilities

This project is for the expansion and enhancement of Parks and Open Space operational facilities. The work includes improvements to maintenance depots, pump houses and storage buildings. Part of the funding in 2014 (\$40,000) is for heating of District 1, 2 and 3 storage buildings (subject to operating budget increase of \$15,000 annually). Other funding is for the construction of a new District 4 depot.

Sportplex Central Kiosk Feasibility Plan

The Regina Sportplex complex includes the Fieldhouse and the Lawson Aquatic Centre. Each of these facilities has their own reception and cashier area. A redesign of the entrance area of the facility should allow for the amalgamation of the reception/cashier areas into one operational area. The purpose of this project is to determine whether or not it is feasible from both an operational and cost/benefit perspective to move forward with a design and construction project to complete the renovation.

Transit - Maintenance Garage Relocation

The existing Transit Maintenance Garage is currently served out of an aged facility in the Public Works Yard. The Transit Investment Plan has recommended that the Maintenance Garage function would be better served out of the Transit Operations (Winnipeg Street) location through an expansion to the existing facility at that site. The new Maintenance Garage addition would provide increased operating efficiency and reduced operating costs, as well as accommodate existing and future fleet requirements. The funding in 2015 will be used to determine the requirements for the Maintenance Garage relocation, with design and construction occurring in 2016 and 2017.

City Operations

Fire Facilities - Pump Testing and Storage

This project involves the construction of a new storage facility for storage and vehicles (80'x50'). Annual pump testing will be performed in this facility in a drafting pit which currently cannot be accommodated in winter months. Pump operations training can then be accommodated year-round.

Asset Revitalization

Cemeteries - Facility Revitalization

Funding for this project will address high priority items identified in FMS' capital planning and condition assessment program (VFA).

Neil Balkwill Photo Lab Renovations

The Neil Balkwill Civic Arts Center photo lab area will be re-developed to make better use of the area. The existing photo area consists of multiple dark rooms, training rooms and classrooms which don't meet the needs of the user groups anymore. This area will see a complete renovation including HVAC equipment, lighting and flooring replacement. The renovations to the existing Photography Room will allow for a larger and more user-friendly Digital Photography Room. The renovations and new amenities will allow for increased participation in existing programs, new digital arts programming and new rental opportunities. The projected increased revenue should off-set the renovation costs within five years.

New Transit Shelters

This is a multi-year program to upgrade and add new Transit shelters.

Information Technology

Capital Summary (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Business Applications						
Business Transformation Program	1,955	1,750	1,950	-	-	5,655
Development Application and Permit	499	-	-	-	-	499
eCity Re-design	-	186	186	-	-	372
Intelligent Call Centre	-	230	-	-	-	230
M4 Upgrade to M5	275	-	-	-	-	275
Parking Ticket Handhelds	50	-	-	-	-	50
Supporting Infrastructure						
ITS Database Performance and Diagnostics	55	-	-	-	-	55
ITS Network Operating System Migration	170	-	-	-	-	170
ITS Sustainable Infrastructure	250	250	250	250	250	1,250
Municipal Area Network Broadband Wireless	-	395	-	-	-	395
Technology Growth	200	200	200	200	200	1,000
Program Total	3,454	3,011	2,586	450	450	9,951
Funding Sources						
Current Contributions	2,954	964	826	131	126	5,001
Fleet Replacement Reserve	275	-	-	-	-	275
Technology Reserve	225	-	-	-	-	225
Available Funding	3,454	964	826	131	126	5,501
Funding Shortfall	-	2,047	1,760	319	324	4,450

Business Technology

The role of business technology is to enable business processes, encourage innovation and support the effective and efficient delivery of civic services. That includes water and sewer services, waste collection and disposal, traffic control, transit services, road and infrastructure maintenance, fire control, recreation facilities and program registration, land-use planning, permits, building inspections, property assessment and taxation, corporate systems for financial and human resources, regulatory functions and many others.

The City uses technology to enhance the quality and delivery of services for the benefit of citizens. The goal is to fully integrate all aspects of the City's business, including service delivery, workflow, staffing, front-line and support activities. Electronic service delivery initiatives allow city services to become more accessible and responsive to the needs of citizens. Technical initiatives such as provisioning employees with mobile equipment and suitable systems allow them to access current information and respond more quickly when working outside. Both types of initiatives support the efficiency, effectiveness, reliability, and affordability of service delivery.

The Business Technology capital program is developed based on the needs of the corporation. Project proposals are prepared by the business areas and then reviewed and prioritized by the Information Technology Project Evaluation Committee. This group, representing all areas of the Corporation, challenge initiatives regarding business readiness, ROI and completeness. Successful projects move on to the Information Technology Governance Committee, chaired by the Director of ITS and including Director-level representation from each business division. The ranking criteria at ITGC takes into consideration the initiative's fit with the sponsoring division or working groups' business plan, along with integration to the City's strategic priorities, the long-term technology plan and the corporate IT Guiding Principles. The allocation of funding and resources is targeted to the highest-ranking initiatives based on these criteria. The Business Technology portfolio of initiatives and priority ratings are updated regularly through internal reviews as well as reacting to external factors such as legislative changes.

Business Technology capital projects often span more than one fiscal year. Circumstances such as vendor delays, corporate priorities changing or refocusing on essential services can impact the specific timing of expenditures and project completions.

The initiatives planned and underway for 2013 are outlined in the following summaries. The initiatives are being funded from a combination of previously authorized capital plus the 2013 allocation. Some projects will extend beyond 2013, affecting the timing of these budgeted expenditures.

2013 Work in Progress

eCity Redesign

This project, making use of approved operational funding within Communications, will consist of two components. The first phase is a re-build of InSite, encompassing the complete technical, branding and design of the City's intranet. InSite is the foundation for business communication within the corporation, and it needs investment to become a productive contributor. The second phase will focus on integrating the public-facing site, Regina.ca.

Utility Information Management Program

The Water and Sewer Department has funding to improve the way they do asset management and set utility rates. ITS is working with them to change their processes and technology to adopt a more contemporary approach that will focus on customer service expectations rather than asset condition to manage utility assets. This project is being funded by the Utility Capital Program.

Current Year Programs

Business Applications

Business Transformation Program

This multi-year program is based on the key tenets of: *Standardize* processes across the corporation, *Eliminate* both manual effort and duplicate data entry and *automate* the process where technically possible and achievable. It focuses on leveraging the newly upgraded Oracle eBusiness Suite as the foundation for continuous process improvements and tighter integration. The program will enable employee and manager self-service capabilities as well as automated workflows. The multi-year strategy will transform the City's business processes efficiently capturing the relevant data and effectively reporting on the results. The following projects are planned for 2013:

- **Requestor Self Serve** project will expand the use of on-line access for releases/receipting creation and PO/AP to a targeted group of requesters. This access will include on-line access to on-line forms necessary to perform inquiries of open purchase orders and payments, authorize payment through the receipt creation form and initiate releases. These efforts will build on previous successes and will provide for continued introduction of the on-line functionality.

- **Supply Chain Self Serve** project will provide the supply chain with on-line access to competitive bid documents through SaskTenders to shorten the competitive bid cycle time.
- **Procurement Card Holder Rollout** project will focus on streamlining the Procurement card process by improving the business processes and instilling cardholder accountability and flexibility to reconcile transactions. This will be achieved using improved, integrated technology and a re-designed policy that will provide structure and governance. Elimination of multiple transaction touch points and re-work will ensure data accuracy at the point of input and increase business efficiency.
- **Travel Expense Reporting and Tracking** project will standardize and streamline travel expense capture and entry processes. Documentation of current policies and processes will provide the requirements and decision point for implementation of self-service online entry of expense reports. Online tracking of the expense report cycle as well as online approvals of expense reports will increase compliance with audit requirements and provide increased visibility and control of costs.
- **Supplier Procurement and Contract Lifecycle Management** project will provide advanced supply chain functionality to better manage competitive procurement and contract processes. Current processes related to the request for proposals, bid receipt and evaluation processes will be reviewed, revised and documented for implementing functionality within the corporate systems. In addition, the project will develop a standard library of contract content. Critical to the success of this project is establishing consistent business processes and policies for management of contracts.
- **Procurement Analytics** project will implement increased visibility into corporate spend as well as the complete procure-to-pay process, with comprehensive analysis of procurement performance, supplier performance, supplier payable trends and employee expenses.
- **Human Resource Management System** project is a multi-year initiative that will implement an integrated Core HR/Payroll and Time & Attendance system within the Oracle e-Business platform and position the City to implement future HR projects. This will implement a "single source of truth" for employee data. Human Resources Management System (HRMS) is considered a foundational project consisting of HR core, Payroll, and Time & Labour. Additional functionality related to employee and manager self-services, compensation and benefits, recruitment, performance management, workforce scheduling, and safety management have been for future consideration to increase efficiencies, provide value add services, and realize HR best practice.

Development Application and Permit

This initiative will configure and implement the Planning module for the Development Review Branch to standardize processes and efficiencies within the Branch and create the capacity to effectively track work flows.

M4 Upgrade to M5

M4 is the existing Fleet Management Information System application. The newer version is M5. This upgrade will assist with consistent management of vehicles within the centralized Fleet department.

Parking Ticket Handhelds

The City of Regina uses handheld devices and printers to issue parking tickets. With the expansion of parking services and an increase in the number of ticket issuers, additional handhelds are required.

Supporting Infrastructure

ITS Database Performance and Diagnostics

This project allows ITS to acquire Oracle Database Management Software to proactively monitor, troubleshoot and be alerted on a subset of the City's Oracle production databases.

ITS Network Operating System Migration

This project will lay the foundation to enable the City to consolidate its two separate network operating environments (Novell and Microsoft) into one single larger Microsoft based network.

ITS Sustainable Infrastructure

Provides the funding to replace aging and end of life ITS infrastructure components including hardware, software, storage and networking equipment.

Technology Growth

This project provides the funding to allow the City to deliver infrastructure services to new employees as well as existing employees just starting to use technology in their job. It also allows for business areas growth in usage of infrastructure services such as data storage and compute capacity.

Future Years Planned Programs**Business Applications****Business Transformation Program**

This program will continue in future years improving business processes and automating workflows through the use of technology. The following projects are planned for future years within the Business Transformation Program:

- **Human Resources Management System (HRMS)**, the foundation project, consisting of HR core, Payroll, and Time & Labour will be completed in 2014. Additional functionality related to employee and manager self-services, compensation and benefits, recruitment, performance management, workforce scheduling, and safety management will be included in future consideration to increase efficiencies, provide value add services, and realize HR best practice.
- **Budget System Project** will simplify the budgeting process and allow managers to develop their budgets on-line. A budgeting system integrated with the financial tracking and accounting system will provide more accurate data, allow for more flexible budgeting cycles and provide easier forecasting by integrating our actual expenditures against the budget. A budgeting system that is integrated with the core HR and Financial systems will ensure corporate policy on position control is maintained. It will also provide the ability for "what-if" scenarios, multi-year budgeting and long range budget forecasting.
- **Project Costing Project** will improve the ability to track and report project costs and the allocation of grant dollars to those projects. Increased effectiveness in managing project budgets, streamlining processes, automating resource sharing, and capitalizing assets more efficiently will be achieved.
- **Business Intelligence and Analytics Project** will enhance financial reporting and analytics. Enhanced and simplified reporting technologies will provide more graphical and drill-down type reporting capabilities providing greater insight into our data and information for better decision making.

Intelligent Call Centre

This project will provide Service Regina's Customer Service Centre with an additional module. It will increase the effectiveness of the Call Centre staff by providing on screen scripted responses to most often asked questions. It will also provide an enhanced reporting system to ensure calls are being handled in the most efficient and effective manner through pre-determined performance measures.

Supporting Infrastructure

Municipal Area Network Broadband Wireless

This multi-year initiative is connecting traffic signals to the wireless network as well as higher speed access for remote facilities not already included in the existing fibre network. Work remaining includes completing Zone 2 (north-east) in 2013, resulting in 80% of the City's traffic signals being covered. That will leave for 2014 Zone 6 (South Regina) and half a dozen traffic signals in the west.

Office of City Manager

Regina Revitalization Initiative

Capital Expenditures (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Taylor Field Neighbourhood Studies	245	-	-	-	-	245
Stadium Project						
Land	3,300	-	-	-	-	3,300
Land Improvements	9,960	14,940	-	-	-	24,900
Building	687	44,489	164,465	25,359	12,500	247,500
Total Stadium Project	13,947	59,429	164,465	25,359	12,500	275,700
Total Expenditures	14,192	59,429	164,465	25,359	12,500	275,945
Funding Sources						
Current Contributions	245	-	-	-	-	245
Donation in Kind - City of Regina	3,300	-	-	-	-	3,300
Grant - Province of Saskatchewan	10,647	44,353	25,000	-	-	80,000
Debt - Provincial Loan	-	15,076	84,924	-	-	100,000
Debt - Bank Loan	-	-	54,541	12,859	-	67,400
Saskatchewan Roughriders Football Club	-	-	-	12,500	12,500	25,000
Available Funding	14,192	59,429	164,465	25,359	12,500	275,945
Funding Shortfall	-	-	-	-	-	-

Current Year Programs

Taylor Field Neighbourhood Studies

As part of the Regina Revitalization Initiative these activities will include a Mosaic Stadium decommissioning & recycling study, market study, noise and vibration study, and a high level Economic Pro-Forma for the RRI Taylor Field site. This project is in preparation for Taylor Field Neighbourhood development.

Stadium Project

The Regina Revitalization Initiative was launched by the City of Regina in May, 2011 as a vision to redevelop two large areas of land in Regina's inner-city. The new stadium will be located at Evraz Place. Construction is planned to begin in 2014 and occupancy of the new stadium will be in 2017. The City has developed a financial cap of \$278.2 million for the Stadium Project, \$2.5 million approved by City Council on September 17, 2012 for start up procurement costs plus the \$275.7 million per the table above. Any variance from this financial cap will be reviewed and mitigated through concept re-evaluations.

A conceptual design for a spectator roof stadium has been completed and includes cost estimates that meet the financial cap of \$278.2 million. Of this amount, \$28.2 million has been allocated for site preparation costs such as land, planning, design, demolition and servicing costs. The balance of \$250 million has been allocated for the stadium itself and includes hard and soft costs such as planning, design, construction, inflation, escalation and furniture, fixtures and equipment.

The timing of the cash outflows for the Stadium Project represents the assumptions and estimates as outlined in the Stadium Project Financial Plan that was submitted to City Council on January 28, 2013. The timing of milestone construction payments may change as the project progresses. Any changes to the assumptions and estimates in the financial plan will be mitigated through prudent management of the project.

Regina Police Service

Capital Program Summary

Capital Expenditures (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Facilities Development	125	952	1,778	1,563	1,475	5,893
Communications	-	2,263	-	-	-	2,263
Information Technology Infrastructure	597	702	941	877	402	3,519
Information Management Projects	235	397	425	215	240	1,512
Emergency Services Equipment	87	197	74	123	21	502
Facilities Renewal Project	900	14,860	695	-	-	16,455
Fleet	661	616	616	666	666	3,225
Total Expenditures	2,605	19,987	4,529	3,444	2,804	33,369
Funding Sources						
Current Contributions	1,165	19,987	4,529	3,444	2,804	31,929
Regina Police Service General Reserve	1,440	-	-	-	-	1,440
Available Funding	2,605	19,987	4,529	3,444	2,804	33,369
Funding Shortfall	-	-	-	-	-	-

The information in this summary is based on the 2013 – 2017 Capital Budget recommendations of the Board of Police Commissioners.

Additional information is available in the budget documents that were submitted by the Board of Police Commissioners and approved by City Council on February 19, 2013.

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General Capital Program Funding

General Capital Investment Program Funding

Capital Funding Summary

Capital Funding Source (\$000's)	2013	2014	2015	2016	2017	Five Year Total
Current Contributions to Capital						
Civic Capital Projects	24,197	22,617	23,940	24,833	25,911	121,498
Regina Police Service Capital Projects	1,165	19,987	4,529	3,444	2,804	31,929
	25,362	42,604	28,469	28,277	28,715	153,427
Debt						
Provincial Loan Payable	-	15,076	84,924	-	-	100,000
Bank Loan Payable	-	-	54,541	12,859	-	67,400
	-	15,076	139,465	12,859	-	167,400
Internal Reserves & Transfers						
Donation in Kind - Land	3,300	-	-	-	-	3,300
Asphalt Plant Reserve	400	150	150	-	-	700
Asset Revitalization Reserve	2,782	-	-	-	-	2,782
Cemetery Reserve	120	100	110	125	110	565
Deferred Revenue - Dedicated Lands Charges	-	385	2,950	-	-	3,335
Employer Parking Reserve	350	200	225	200	250	1,225
Fleet Replacement Reserve	8,266	7,866	10,599	9,444	9,037	45,212
General Fund Reserve	319	-	-	-	420	739
Golf Course Reserve	550	550	575	575	625	2,875
Landfill Reserve	6,470	24,180	20,660	5,060	60	56,430
Land Development Reserve	6,710	500	500	500	-	8,210
Technology Reserve	225	-	-	-	-	225
Regina Police Service General Reserve	1,440	-	-	-	-	1,440
	30,932	33,931	35,769	15,904	10,502	127,038
Federal Funding						
Gas Tax	11,080	10,778	10,929	10,929	10,929	54,645
Provincial/Territorial Base Fund	1,453	1,500	-	-	-	2,953
	12,533	12,278	10,929	10,929	10,929	57,598
Provincial Funding						
Urban Highway Connector Program	6,375	-	-	-	-	6,375
Stadium Project Grant	10,647	44,353	25,000	-	-	80,000
	17,022	44,353	25,000	-	-	86,375
External Funding						
Service Agreement Fees (Roads)	9,685	3,100	13,072	6,425	5,565	37,847
Service Agreement Fees (Parks)	1,142	2,861	4,216	941	802	9,962
Developer Contributions	1,500	450	3,120	-	-	5,070
Saskatchewan Roughriders Football Club	-	-	-	12,500.0	12,500.0	25,000
Other External	850	250	250	250	250	1,850
	13,177	6,661	20,658	20,116	19,117	79,729
Total Available Funding	99,026	154,903	260,290	88,085	69,263	671,567
Total General Capital Expenditures	99,026	196,893	300,854	138,317	123,736	858,826
Funding Shortfall	-	41,990	40,564	50,232	54,473	187,259

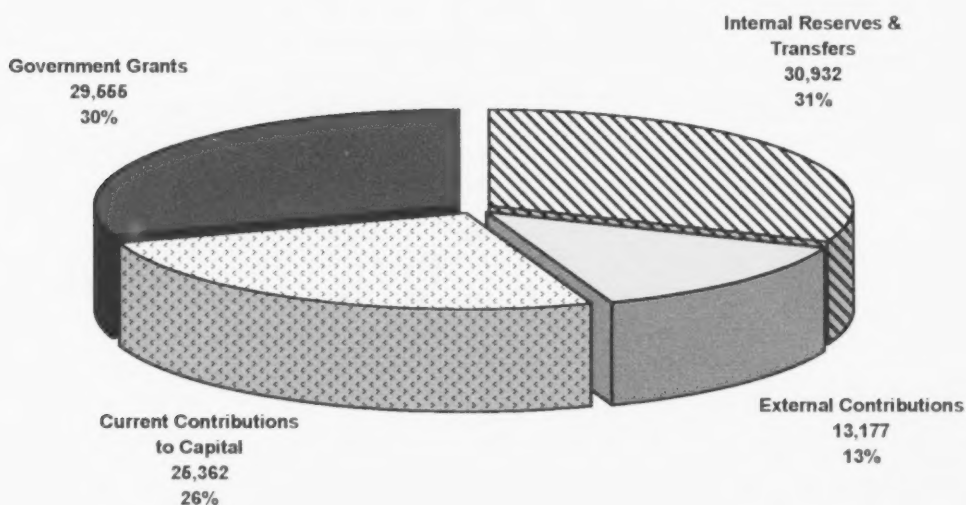
Key elements of the funding plan for the 2013 – 2017 General Capital Program include:

- The 2013 – 2017 General Capital Budget was developed including only verified Federal and Provincial capital funding. This results in a funding shortfall of \$187.2 million over the five-year period.

The funding plan incorporates the use of internal reserves such as the Landfill Reserve, Equipment Replacement Reserve, Technology Reserve, Golf Course Reserve, the Dedicated Land Reserve and Cemetery Reserve.

2013 General Capital Funding

Sources of Capital Funding – 2013
(\$000's)



For the 2013 General Capital Budget, the current contributions to capital include:

- Current contributions to capital to fund the Regina Police Service Capital Program. **The projected amount available for 2013 is \$1,165,000, an increase of \$45,000 over 2012's current contributions.**
- Current contributions to fund the general portion of the General Capital Program. **The current contributions to capital for 2013 for the general portion of the General Capital Program are \$24.2 million, an increase of \$4,294,000 over 2012's current contribution.**

Internal Reserves

General Fund Reserve

The General Fund Reserve is the primary general-purpose reserve maintained by the City. The major sources of transfers to the reserve are the operating surplus and unexpended capital funds that are returned to the reserve. Future inflows to the General Fund Reserve may be reduced by creating a Land Development Reserve, by transferring operating surpluses to the Asset Revitalization Reserve and by using previous year's surplus to fund current year one-time operating expenditures. A General Fund Reserve balance of \$14 million to \$28 million representing 5% to 10% of budgeted revenues is the suggested preferred minimum balance. The following table provides a projection for the General Fund Reserve.

General Fund Reserve (\$000's)					
	2013	2014	2015	2016	2017
Reserve Balance - Start of Year	36,529	27,626	27,626	27,626	27,626
Projected Requirements:					
CP Lands - Balance of Purchase Price	(6,750)	-	-	-	-
One-Time Operating Requirements	(1,449)	-	-	-	-
Funding Required for Capital Program	(319)	-	-	-	-
Completion of 2012 Innovation Initiatives	(159)	-	-	-	-
CR12-07 Downtown Parking Strategy	(90)				
CR12-126 Acquisition of S.E. Lands	(136)				
Reserve Balance - End of Year	27,626	27,626	27,626	27,626	27,626

Land Development Reserve

A Land Development Reserve has been formally approved by City Council, decision CR11-2, as a method of funding land development, and separating those cash flows, which are subject to significant uncertainty from the projections for the General Fund Reserve. The following forecast has been prepared based on projections of land sales from the Real Estate Department.

Land Development Reserve (\$000's)					
	2013	2014	2015	2016	2017
Reserve Balance - Start of Year	6,495	3,585	7,085	11,085	15,085
Transfer from the General Fund Reserve	-	-	-	-	-
Contributions to the Reserve - Land Sales	4,000	4,000	4,500	4,500	4,500
CR12-109 Public Consultation	(200)	-	-	-	-
Funding Required for Land Development Capital Program	(6,710)	(500)	(500)	(500)	-
Reserve Balance - End of Year	3,585	7,085	11,085	15,085	19,585

Asset Revitalization Reserve

A dedicated Asset Revitalization Reserve allocates dedicated funds to meet the strategic capital priorities of the City to assist in managing the growth and revitalization of the City. The vision and strategic plan, coupled with long-term financial planning including the development of special purpose reserves can assist the City in meeting its future growth and revitalization needs.

Asset Revitalization Reserve (\$000's)

	2013	2014	2015	2016	2017
Reserve Balance - Start of Year	4,944	4,362	4,362	4,362	4,362
Transfer from the Landfill Reserve re: 9th Ave N Safety Improvements	2,200	-	-	-	-
Funding Required for Capital Program	(2,782)	-	-	-	-
Reserve Balance - End of Year	4,362	4,362	4,362	4,362	4,362

Landfill Reserve

The Landfill Reserve is funded through a transfer from the General Operating Budget. The transfer is the net revenue from landfill operations (including an amount for the disposal of waste collected through the residential collection program) less the net cost of the waste minimization programs. A 20-year landfill financial model is maintained to determine landfill rates, taking into account revenues, operating costs, and capital requirements.

Landfill Reserve (\$000's)

	2013	2014	2015	2016	2017
Reserve Balance - Start of Year	18,318	17,348	4,768	1,860.0	7,500
Contributions to the Reserve	11,700	11,700	18,952	11,700	11,700
9th Ave N Safety Improvements	(2,200)	-	-	-	-
Landfill Closure Liability	(4,000)	(100)	(1,200)	(1,000)	(9,300)
Funding Required for Capital Program	(6,470)	(24,180)	(20,660)	(5,060)	(60)
Reserve Balance - End of Year	17,348	4,768	1,860	7,500	9,840

Golf Course Reserve

The Golf Course Reserve is used to fund golf course capital projects. Contributions to the reserve are from the annual operations of the golf courses. The net revenue after deducting operating expenditures and an allowance for administrative costs is transferred to the reserve. The following table provides a projection for the reserve for the next five years.

Golf Course Reserve (\$000's)

	2013	2014	2015	2016	2017
Reserve Balance - Start of Year	730	537	392	278	327
Contributions to the Reserve	357	405	461	624	624
Funding Required for Capital Program	(550)	(550)	(575)	(575)	(575)
Reserve Balance - End of Year	537	392	278	327	376

Cemetery Reserve

The Cemetery Reserve is used to fund cemetery capital projects or a loss in the cemetery operations. The annual contribution to the reserve is the net revenue from the cemetery operations after deducting operating expenditures. The Cemetery Management Strategy, approved by Council in 1996, and the Cemetery Financial Plan serve as the primary planning tools in managing the operation of the two cemeteries. The condition of the Cemeteries Program and current developments in the industry requires review and a revised strategy to be prepared. The following table provides a projection for the reserve for the next five years.

<u>Cemetery Reserve (\$000's)</u>					
	2013	2014	2015	2016	2017
Reserve Balance - Start of Year	520	480	525	579	638
Contributions to the Reserve	80	145	164	184	185
Funding Required for Capital Program	(120)	(100)	(110)	(125)	(110)
Reserve Balance - End of Year	480	525	579	638	713

Fleet Replacement Reserve

Formerly, the Equipment Replacement Reserve, the Fleet Replacement reserve was established in September 2010 by Bylaw 2010-49 to amalgamate the Equipment Replacement and Transit Equipment Reserves into one Fleet Replacement Reserve. The new reserve includes separate accounts for the Civic, Transit and Fire fleets.

The Fleet Replacement Reserve is used to fund the replacement of vehicles and equipment for the civic, transit and fire fleets including support vehicles. The reserve is used to fund the replacement of existing equipment, not to purchase new equipment. Additional equipment is funded separately through the capital program. The amount transferred to the reserve each year is represents the depreciation charged on the existing fleet of vehicles and equipment.

<u>Fleet Replacement Reserve (\$000's)</u>					
	2013	2014	2015	2016	2017
Reserve Balance - Start of Year	3,614	4,085	5,966	6,144	7,477
Contributions to the Reserve	8,737	9,747	10,777	10,777	10,777
Funding Required for Capital Program	(8,266)	(7,866)	(10,599)	(9,444)	(9,037)
Reserve Balance - End of Year	4,085	5,966	6,144	7,477	9,217

Asphalt Plant Reserve

The Asphalt Plant Reserve funds the capital requirements and maintenance costs of the asphalt plant. The reserve is funded through a charge on the asphalt produced in the plant. The charge is \$5.00 per tonne. The charge includes \$2.50 per tonne for funding of capital requirements and \$2.50 per tonne for maintenance costs. The following table provides a projection for the reserve for the next five years.

Asphalt Plant Reserve (\$000's)					
	2013	2014	2015	2016	2017
Reserve Balance - Start of Year	1,246	1,046	1,096	1,146	1,346
Contributions to the Reserve	200	200	200	200	200
Funding Required for Capital Program	(400)	(150)	(150)	-	-
Reserve Balance - End of Year	1,046	1,096	1,146	1,346	1,546

Employer Provided Parking Reserve

The Employer Provided Parking Reserve is funded from parking fees paid by employees. The net fees, after deducting operating costs, are transferred to the reserve to fund capital requirements for the parking facilities. The facilities include the parkade at City Hall and parking lots at other civic facilities.

Employer Provided Parking Reserve (\$000's)					
	2013	2014	2015	2016	2017
Reserve Balance - Start of Year	536	632	878	1,099	1,345
Contributions to the Reserve	490	490	490	490	490
Parking Lot Operating Expense	(44)	(44)	(44)	(44)	(44)
Funding Required for Capital Program	(350)	(200)	(225)	(200)	(250)
Reserve Balance - End of Year	632	878	1,099	1,345	1,541

Technology Reserve

The Technology Reserve is funded from the net revenue generated from the print and office services (computer leasing) programs. These services are budgeted to provide a small surplus to fund the replacement of equipment for the print and office services operations, and if required, to offset a shortfall in the operation of the services.

Technology Reserve (\$000's)					
	2013	2014	2015	2016	2017
Reserve Balance - Start of Year	644	754	1,089	1,424	1,759
Contributions	35	35	35	35	35
Transfer from General Utility Reserve	300	300	300	300	300
Funding Required for Operating/Capital Programs	(225)	-	-	-	-
Reserve Balance - End of Year	754	1,089	1,424	1,759	2,094

Regina Police Service General Reserve

The Regina Police Service General Reserve is used to fund any one-time operating expenditure included in the annual operating budget and transfers to fund capital projects as requested by the Board of Police Commissioners and approved by Council. Contribution to the reserve is the net revenue or expenditure from the annual operating budget of the Regina Police Service and unexpended capital funds from projects that are completed or not proceeding.

Regina Police Service General Reserve (\$000's)

	2013	2014	2015	2016	2017
Reserve Balance - Start of Year	2,354	914	914	914	914
Contributions to the Reserve	-	-	-	-	-
Funding Required for Capital Program	(1,440)	-	-	-	-
Reserve Balance - End of Year	<u>914</u>	<u>914</u>	<u>914</u>	<u>914</u>	<u>914</u>

Servicing Agreement Fees and Development Levies

Servicing Agreement Fees and Development Levies (SAF) are established under *The Planning and Development Act, 2007* and are recognized as revenue when a developer and the City enter into a servicing agreement or development levy agreement even if some actual cash payments are received subsequent to the agreement signing. The agreements require a payment to the City of a predetermined amount per hectare of land within the development area. The funds are intended to be used towards the construction of regional infrastructure to support new development. Funds associated with a specific agreement are not necessarily managed on a specific project by project basis because infrastructure demands related to new development do not necessarily occur only within the particular development. For example, each new development places an indirect demand on wastewater treatment facilities and major arterials.

City policy determines the projects and the percentage of project costs eligible for Servicing Agreement Fee funding.

In the case of roadways, water, and sewer costs for development, the City would typically incur the costs prior to the full development of an area (cash outflows to fund projects usually occur before the development full built out). Parks and Recreation infrastructure costs are generally incurred later in the process.

In 2011, the City amended the Administration of Servicing Agreement Fees Policy to include provisions for development levies (for simplicity, they are simply referred to as SAFs) and completed a rate review to adopt a 2012 SAF Rate. The annual review of the Servicing Agreement Fee rate includes estimates of the capital requirements related to new development over the next 20 years to ensure the rate keeps pace with increases in the construction market and accurately reflects the extent of infrastructure that is necessary to support development in areas of the City where new development is planned and where SAFs are charged.

The fees increased by 1.3% from 2012 (\$238,946 per hectare) to a 2013 rate of \$241,958 per hectare of developed land. These per hectare fees are actually comprised of four basic parts - a separate fund for Utility projects, Parks and Recreation projects, and Roadways projects as well as an administration costs component. An accounting of the Utility SAF Reserve appears in the City's Water and Sewer Utility budget document. Despite the increase in fees, which now include a financing cost element, significant additional funding is required to support these new neighbourhoods, and there will be a significant cash outflow required by the City to fund its share of infrastructure, as well as to finance the infrastructure paid for through servicing agreement fees. This amount will be repaid through servicing agreement fees as new development proceeds.

Servicing agreement fee revenue is recognized when developers reach a Servicing Agreement with the City. In many instances capital projects eligible for servicing agreement fee funding have been undertaken ahead of the funds being received from developers. As such, there is currently a shortfall in servicing agreement fee funding, and shortfalls are projected over the next five years, although the shortfalls have been significantly reduced from previous projections as a result of the servicing agreement fee review and the rate increase. The fee projections have been based on the development of an average of 80 hectares per year over the next 20 years.

Roadways Servicing Agreement Fees

Roadways Servicing Agreement Fees are pursuant to *The Planning and Development Act, 2007* and are recognized as revenue when a development agreement is entered into between the City and a developer. In 2013, the agreements require a payment to the City of \$73,824 per hectare of land within the development area for Roads and Related Infrastructure. Upon execution of a servicing agreement, 30% of the levy is paid, with another 40% within nine months and the balance within a further nine months.

The projections for Roads and Related servicing agreement fees appear below. The fee projections have been based on the development of an average of 80 hectares per year over the next 20 years

<u>Roadways SAF Reserve</u>					
	2013	2014	2015	2016	2017
Beginning Balance	14,080	12,272	17,459	13,387	16,301
Projected Fees	8,569	8,912	9,268	9,639	10,024
Interest	(692)	(625)	(268)	(300)	(300)
Available Funds	21,957	20,559	26,459	22,726	26,025
Capital Spending	(9,685)	(3,100)	(13,072)	(6,425)	(5,565)
Reserve Balance -Year End	12,272	17,459	13,387	16,301	20,460

Parks and Recreation Servicing Agreement Fees

Parks and Recreation servicing agreement fees are pursuant to the *Planning and Development Act, 2007* and are recognized as revenue when a servicing agreement is entered into between the City and a developer. In 2013, the agreements require a payment to the City of \$27,316 per hectare of land within the development area. Within one year of the execution of a servicing agreement, 50% of the levy is paid, and remaining 50% balance within a further year.

The projections for Parks and Recreation servicing agreement fees appear below. The fee projections have been based on the development of an average of 80 hectares per year over the next 10 years.

Parks & Recreation SAF Reserve

	2013	2014	2015	2016	2017
Beginning Balance	7,166	7,535	6,245	3,705	4,497
Projected Fees	1,327	1,380	1,435	1,492	1,552
Interest	184	191	241	241	241
Available Funds	8,677	9,106	7,921	5,438	6,290
Capital Spending	(1,142)	(2,861)	(4,216)	(941)	(802)
Reserve Balance -Year End	7,535	6,245	3,705	4,497	5,488

Deferred Revenue – Dedicated Lands Charges

Pursuant to Section 187 of the *Planning and Development Act*, 2007, developers are required to dedicate a portion of a development as municipal reserve. The legislation provides that a developer may make a payment in lieu of dedicating the required lands. The funds received are held as deferred revenue until such time as the funds are expended on eligible expenditures. The funds are to be used for the purchase of land to be dedicated for public use or used for the development of and maintenance of existing municipal reserves.

Deferred Revenue - Dedicated Lands Charges

	2013	2014	2015	2016	2017
Beginning Balance	1,119	1,268	1,031 -	126	27
Projected Revenue	125	125	1,765	125	125
Interest	24	23	28	28	28
Available Funds	1,268	1,416	2,824	27	180
Capital Spending	-	(385)	(2,950)	-	-
Deferred Revenue Balance -Year End	1,268	1,031 -	126.0	27	180

Other External Capital Funding

External contributions assumed in the 2013 General Capital Program include the following:

- \$250,000 in 2013 and future years from Rent Revenue generated at Mosaic Stadium which will fund the Mosaic Stadium Capital Program.